The China Weekly REVIEW

密勒氏評論報

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J. B. POWELL, Editor and Publisher

JOHN L. SCHENG, Advertising Manager

CONTRIBUTING EDITORS

GEO. W. MISSEMER C. Y. W. MENG

CHAS. A. DAILEY (Peiping) SAMUEL H. CHUNG (S'hai)

EVA CHANG (Nanking) CHANG YA-CHUEN

S. C. YANG (Harbin) MARK M. LU (Honan)

HOH CHIEH-SHIANG

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WASHINGTON OFFICE

J. J. Underwood—Correspondent

Colorado Building, Washington, D. C.

DESPICABLE CASE OF NEWS ACENCY PROPAGANDA

THE Japanese *Rengo* news agency, which recently was barred from the use of the Chinese telegraphs and mails because of the circulation of inaccurate reports regarding Chinese political and general happenings, has again been guilty of an even more glaring case, as is shown by the following verbatim reprint of a *Rengo* message which was circulated (in English) to the Shanghai newspapers on May 9:

(Shimbun Rengo)

Changchun, May 9.

Unsuccessful attempt was made by a unknown person or persons to poison General Chang Tso-hsiang, Chairman of the Kirin Provincial Government.

It is said that on the 28th of last month General Chang did not take his breakfast as he felt unwell. Later, a maid died immediately after she ate the meal. Since this incident happened the General take nothing, but what his wife served in person.

When the disagreement is reported between General Chang Tso-hsiang and General Chang Hsueh-liang, a great attention is being paid to the incident.—Rengo.

The town of Changchun where the foregoing message is supposed to have originated is located at the northern extremity of the Japanese -owned and controlled South Manchuria Railway, hence *Rengo* was able to send the story out over the Japanese wires without interference of the Chinese authorities. From the Japanese leased zone at Dairen it probably was telegraphed to Japan and from Japan to Shanghai, where it appeared in one or two newspapers. To understand the propaganda motive behind the story one must realize that the Japanese military establishment and the bureaucracy in control of Japanese interests in South Manchuria, most of which center in the South Manchuria Railway ,(see issue *The Review* for April 25) have strongly opposed the union of Manchuria with the National Government at Nanking. Japanese interests in Manchuria did everything possible by means of military and diplomatic pressure and the spread of propaganda to prevent Marshal Chang Hsueh-liang from participating in political affairs south of the Great Wall last year. When their efforts failed and the Young Marshal did send troops to

assist the National Government, they then concentrated their propaganda on an attempt to prevent him from visiting Nanking but failed again. Then after he had gone to Nanking to participate in the meetings of the Kuomintang Central Executive Committee, *Rengo* continued to send out messages from Manchuria alleging serious dissention within the ranks of the Chinese authorities in that area. The welcome which the Young Marshal received on his return to Mukden proved the falsity of the Japanese charges. Now Marshal Chang Hsueh-liang is again in Nanking, and *Rengo*, despite its recent complications with the Chinese authorities over the circulation of inaccurate reports, sends out another message containing the allegation that someone had tried to poison Gen. Chang Tso-hsiang (leader of the Manchurian "old-guard") and suggesting that Marshal Chang Hsueh-liang may have been responsible. Whether an attempt actually was made to poison Gen. Chang Tso-hsiang, we do not know, but a careful perusal of the *Rengo* message reproduced in the foregoing indicates that it apparently was based on nothing more substantial than rumor and that the entire message was put out for obvious propaganda purposes.

CHINA AT THE UNIVERSITY OF MISSOURI

IT'S a long way from China to Missouri, U. S. A., but despite the distance China figured prominently at the University of Missouri last week when Dr. C. C. Wu, Chinese Minister received the honorary degree of Doctor of Laws. China also figured prominently in the program of the annual Journalism Week which was attended by newspapermen and magazine writers from various parts of the country, the exercises including the dedication of a pair of venerable Chinese stone "lion" monuments donated to the University by the National Government, and culminating in a banquet consisting of Chinese foods and speeches dealing with Sino-American relations. According to the *United Press* report Dr. Wu delivered two addresses at the University, one dealing with present-day political and educational tendencies in China and the other dealing with journalism and international relations. In his reference to the functions of newspapers, Dr. Wu stated that newspapers are but little less important factors in international relations than are governments, parliaments and diplomats. Although journalists were once classed as constituting the fourth estate of the realm, they must now be recognized as members of the first estate. The mission of newspapers should be to create an international mind, to modify bigotry and prejudice. In reference to political tendencies in China, Dr. Wu declared that the Chinese mind must not be considered iconoclastic. China does not shrink from the changing or removing of anything which proves to be useless or unsatisfactory. Chinese students are adopting and inquiring attitude of mind and are anxious to take the best teachings from all sources. Also he declared that the Chinese people are democratic by nature and learn quickly the use of the new instruments of modern democracy. But it must be remembered that during the transitional period in which China now finds herself, the Kuomintang or Nationalist Party is the guardian and tutor of China. Capt. Robert Dollar of the Dollar shipping interests who was also scheduled to deliver an address dealing with Sino-American trade and commercial relations was unable to be present due to illness, but the question of Sino-American relations received further reference in an address by Robert P. Scripps, editorial director of the Scripps-Howard newspapers, who talked on "Liberal Journalism." Mr. Scripps visited in China several years gao as also did Roy Howard his partner in the powerful newspaper chain.

Much interest was attached to the presentation to the University of a pair of stone "lion" monuments which were donated by the National Government. They were installed on the campus adjoining the Journalism building in the vicinity of other mementos contributed by other foreign governments including a handsome stone "lantern" donated by Japan, a stone from St. Paul's Cathedral which was donated by the British Institute of Journalists, etc. The Chinese stone lions, which were obtained from the National Government through the offices of Dr. H. H. Kung, Minister of Industry, have a venerable history dating back to the Ming Dynasty, about 1400 A. D. They stood for many years before the entrance of the Pao-En-Sz or Temple of Thanksgiving which was located at the old Chu-Pao-Gate at Nanking. The temple was erected by the Emperor Yung Lu in memory of his grandfather, Chu Yuen Chang, a commoner who founded the Ming Dynasty and established the capital at Nanking. For many years the Pao-En-Sz temple was the outstanding architectural masterpiece of Nanking, its massive yellow walls and curving roofs of green tile long dominating the city. But the Taiping rebels put an end to its grandeur when they sacked and burned the city in the middle of the last century. The stone-lions at the temple gate, however, were preserved and in recent years have stood before the entrance to one of the Chinese schools. The school authorities willingly donated the monuments to a sister institution in the United States which had for many years figured prominently in the education of Chinese students, and which had sent many of its graduates, particularly those who had completed the courses in Journalism, to China. Both Dr. H. H. Kung and Dr. C. T. Wang, Minister of

Dr. C. C. Wu, Chinese Minister to the United States who received an honorary degree at the University of Missouri last week.

Foreign Affairs sent telegrams of felicitation to Dr. Walter Williams, former Dean of the School of Journalism and now President of the University, on the occasion of the dedication of the monuments. It is also of interest in connection with the China ceremonies at the University of Missouri to call attention to a cooperative arrangement made sometime ago for an exchange of students and professors between the School of Journalism of the University of Missouri and the Department of Journalism of Yenching University in Peiping.

CHINA AT THE SCHOOL OF JOURNALISM, UNIVERSITY OF MISSOURI

Chinese Journalists at the Missouri School of Journalism—Left to Right: David Chi-hsin Lu, Exchange Fellow from Yenching University, Peiping; Chen She-wu, Publisher, *World Daily News*, Peiping; Dr. Walter Williams, President of the University; Ching Chang-po, Editor, *China Times*, Shanghai; Prof. F. L. Martin, Acting Dean, School of Journalism; J. F. Williams, Director of University Publications.

The picture directly above shows the Chinese and American flags above the door of the School of Journalism. This particular Chinese flag was presented by Gen. Chiang Kai-shek, President of the National Government to H. F. Misselwitz, former Correspondent for the *New York Times*, who in turn presented the flag to the University. The Chinese flag was first unfurled on the Chinese national holiday, the first time a foreign flag was ever unfurled on the Campus. The picture on the lower right shows the famous stone lions which were presented by the National Government and were dedicated by Dr. C. C. Wu last week with appropriate ceremonies. The young lady in the picture is Miss Sophie Gallagher, who was a passenger on the Dollar steamer which transported the lions to the United States.

NANKING SEMINARY AND THE G$3,500,000 GIFT

THE issue of *Time Magazine* (Chicago) for April 6 gives what appears to be the first correct account of the much-discussed Wendel bequest to the Nanking Theological Seminary. The actual amount which the school will receive is G. $3,500,000 and not G. $13,000,000 as originally reported. However, G. $3,500,000, which is equivalent to $15,179,500 in Chinese silver currency is no small sum of money. It is considerably larger than the paid-up capital of any Chinese private bank; for example the Shanghai Commercial and Savings Bank, oldest modern-style bank in China only has a capital of $500,000 and total assets of $21,000,000, while the last published statement of the Government Central Bank lists reserves against note issues at $31,-500,000. Invested at six percent the Wendel bequest to the Nanking school will bring in an income in excess of $900,000 annually. Thus do we find a modest American missionary school in Nanking established several years ago for the purpose of training Chinese preachers in possession of a windfall that must make that institution the envy of all other missionary schools. This fortune intended for the purpose of training future Chinese Christian theologians was bequeathed by Miss Ella Virginia von Echtzel Wendel, the last survivor of a unique family of American millionaires who resided in seclusion in New York City. Various stories are in circulation explaining how Miss Wendel, who lived in seclusion and never had been out of New York, happened to donate 17½ percent of her estate consisting of valuable Manhattan real estate to the Nanking School, but the most generally credited account is as follows: Several years ago when the Rev. Harry F. Rowe, President of Nanking Theological Seminary was home on leave, his home mission board handed him a list of prospects to call on for the purpose of obtaining contributions to mission work in China. Included in the list was the name of Miss Wendel, who had been put down as a "hard nut" to crack, meaning that no one had ever been able to touch her heart with an appeal for donations for mission work. However, Rev. Rowe did succeed in obtaining her interest and a check for $1,000. But Miss Wendel did not continue the donations and according to report her name was crossed off the list of prospective donors. Therefore, there was great surprise and elation in the home office of the mission when it was learned that Miss Wendel had left G. $3,500,-000 to the Nanking school. However, this is not the first large donation to missionary work in China that was ear-marked for the purpose of training Chinese protestant preachers. Several years ago Milton Stewart, Los Angeles millionaire and founder of the Union Oil Company of California, left a considerably larger sum for similar purposes. Little has been heard of the so-called Stewart Evangelical Fund in recent years, but at one time it was said that the trustees had difficulty in finding ways for spending even the interest on the donation. Some of it went to the same Nanking Theological Seminary, another portion was used to construct the Hunan Bible Institute in Changsha (only mission institution that was not looted by the Communists last year) and other portions went to construct tabernacles for housing missionary conferences at Kuling and elsewhere. Owing to changes which have taken place in the direction of missionary work in China in recent years efforts have been made to divert a portion of these large donations toward other causes thought by some to be of more practical service to the Chinese people; for example rural agricultural education and medical or public health service.

North China and the B. A. T. Tobacco Tax Controversy

THE involved tobacco tax situation in North China gradually is becoming untangled, and out of the twisted ball of yarn (or yarns) is re-appearing the threads of a single national levy. Out of the conflict of the past year on this subject two factors emerge most prominently. One is that an actual tobacco monopoly was in existence in Shansi Province for ten months, a monopoly in which native tobacco firms were allowed to put their products on the market after the collection of phenomenally high taxes. The other point is that the foreign concerns, principally the British-American Tobacco Company which controls the overwhelming bulk of the business, preferred to stop their entire trade in the fight against local usurpation of tax rights rather than submit to provincial high-handedness.

Incidentally this stand gave the national government at Nanking a very much needed moral support in its efforts to put the entire country under a uniform tobacco tax. The B.A.T. was not indulging in philanthropy in assisting the campaign of the Central Government, but in a drive to protect its own business interests, for a single tax applied everywhere and to all logically must be preferred to indiscriminate taxation changed at the whim of local self-seeking individuals.

The fact that a tobacco monopoly was in existence in Shansi Province for ten months is pointed to in certain Chinese circles as proof that a national monopoly on tobacco is as feasible in China as it is in Japan and France, but in other circles, principally foreign, it is contended with equal vehemence that due to domestic conditions a national monopoly would be a poor policy for China. It is declared in this respect that Chekiang Province tried it out about a year or so ago and was forced to abandon the attempt, and that in Shansi Province ten months was all it could stand, and then it was a case of "the public be damned" so far as service and price to the people were concerned.

The B.A.T. has made agreements with the finance officials of the government that the tax will be paid at the factory. A peculiar situation exists in Shansi Province, however, for the B.A.T. pays a second identical tax when its products

reach Taiyuanfu. However, the national government refunds the initial levy when handed proof of dual payment.

The money in both instances is used by the B.A.T. to buy tobacco tax stamps from the Consolidated Tax Bureau. This system has been going on in Shansi since April 1. No other levies such as likin are placed on the tobacco anywhere else. The finance ministry of the government is willingly refunding the duplicated tax in order to uphold the principle of a single levy, and the B.A.T. is co-operating to the extent of paying twice to prove willingness to pay once. The entire tax is a national affair, and it is up to the Nanking ministry to collect from its provincial headquarters when taxes are paid twice over. Whether it does so however, is questionable in the case of Shansi, for instance. Certain local deductions presumedly are being made in that province before any money is forwarded to Nanking.

Tobacco is uniformly taxed throughout the country. The tax is of three grades. Cigarettes selling up to $150 a case of 50,000 pays $39, while $81 is paid for the $540 a case product, and $305 for a case of 50,000 cigarettes rated at above that figure. B.A.T. officials insist that the firm does not make loans and under no circumstances will be a party to any monopoly. However, it is known that the tobacco tax stamps are purchased in advance, and if a large enough quantity were bought this would be tantamount to a loan, although technically it might not figure as such. Undoubtedly this is done at times.

However, a monopoly is a vastly different matter. Rumors started at Shanghai about a month ago that the B.A.T. had negotiated a tobacco monopoly in Shansi. These reports were incorrect and so far as business theories are concerned, it certainly would be a foolhardly policy for any firm to handle so double-edged a sword. What the B.A.T. or any other foreign firm wants to hear the least of is a monopoly, for the ultimate result probably would be to change into a national monopoly at the expense of the foreign firms, and any temporary benefit would be lost many-fold. As it is, the mere rumor of such a monopoly is enough to keep tobacco men awake at night.

The tobacco tax imbroglio was started by General Yen Hsi-shan when that erstwhile "model governor" of Shansi lost his balance. He suddenly brought up the demand that immediately a much higher levy be paid, despite a legal agreement which had been signed previously with the recognized national government of China. There was no alternative, therefore, but to cease business in the entire territory in which General Yen operated and to wait for the outcome of the civil warfare. The B.A.T. consequently did no business in Chihli Province for the three months of August, September and October, of last year and for 10 months the company was barred from Shansi. General Yen only succeeded in killing one of the fattest geese which had been in the habit of laying his golden eggs. The tax then was set at 32½ per cent by the contract with Nanking, but after the end of the civil war it was changed and the percentage basis dropped.

Tobacco sales fluctuate spasmodically and temperamentally. For instance in the Peiping office of the B.A.T. business amounted to $223,000 in January, $195,000 in February, soared to $482,000 in March and flopped to $131,000 in April. The key to this seemingly insolvable fluctuation is that increases in the price of tobacco are announced ahead, and such a boost was made public in March. The tobacco retailers promptly purchased new stocks while the price was low. The tobacco firms pursue an intricate policy on contracts. Although B.A.T. officials are silent on the matter, what B.A.T. lawyers are doing reveals that the policy of that firm is to sign a contract with the national government, then get the provincial government's name to a similar document, and finally that of any other local authority who might at a future date stand up on his fore legs and kick lustily with his hind hoofs. An ironclad system is thereby attempted to conciliate everybody and his friends. But out of the morass the principle of a national tax remains victorious, somewhat battered it is true, and with a hole in its pocket. But a bit of porous plaster and a needle and thread can remedy that little matter if the nation avoid renewed warfare.

Position of China and Powers on Extrality Now Reversed

THE action of the Chinese National Government on May 3 in issuing a mandate declaring the abolition of the consular-court system and making same effective on Jan. 1, 1932 and the subsequent manifesto of the National People's Convention on May 9 ratifying the action of the National Government have had the effect of reversing the positions of China and the Powers on this important question. As the situation stands today, the Chinese Government recognized by the Powers has taken unilateral action in respect to certain treaties which have become objectionable to the Chinese people, said treaties still having from one to two years yet to run before expiration. By fixing the date, Jan. 1, 1932 as the time for making the Chinese Government's action effective, the Chinese had two major objects in view: First, to enable the Chinese Government itself to make arrangements for the establishment of its special courts; and second, to enable the Powers to make up their minds regarding the future status of the foreign settlements. The British Foreign Secretary, Mr. Henderson, apparently recognized this situation when he stated in the House of Commons (report by British wireless May 6) that an attempt was being made to obtain the consent of the Chinese Government to the appointment of a commission for the purpose of making a special study of the Concession question. He also declared that the enforcement of the Chinese Government's regulations pertaining to jurisdiction over foreigners, "must be excluded from the operation of the treaty until the necessary changes have been effected in the municipal administrations of those ports to meet the new situation created by the

abolition of exterritoriality."

Although the Chinese Government's abolition of exterritoriality, effective on Jan. 1 of next year, will technically make all foreigners subject to the new Chinese courts, the Chinese regulations cannot be enforced on foreigners residing in the treaty ports until said ports have come under Chinese control. This refers, of course, to treaty-protected foreigners only, because many foreigners residing in the ports such as Germans, Austrians and Russians, are already subject to Chinese laws. That the Chinese Government will now press for a settlement of the Concession Question was indicated in the *United Press* report from Nanking on May 11 stating that the National People's Convention had appointed committees for the drafting of a manifesto dealing with the whole question of the so-called unequal treaties, including the rendition of the foreign concessions. Other questions included in the manifesto will involve the right of foreigners to operate ships in the coastwise and inland-river trade, rendition of railway zones (referring to Japanese South Manchuria Railway), withdrawal of foreign troops now stationed on Chinese soil, complete customs autonomy, return of postal and telegraphic privileges held by foreigners (Japanese) in China, etc. While the text of this manifesto probably will not be made public before the adjournment of the Convention, the resolution ordering the drafting of the manifesto, which was adopted unanimously by the delegates on May 9 declared,

> "That in accordance with the motion made by Delegate Hsiang Ting-yung (representing Chekiang province), the National People's Convention hereby resolves to declare (unilaterally) the abolition of all unequal treaties and directs that a Committee of eleven consisting of Hsiang Ting-yung, Lu Lu-yin, Shao Li-tse, Chen Pu-lai, Tai Chin-lien, Hsieh Tso-ming, Feng Tien-lu, Chen Cheng, Chuang Sung-fu, Wang Cho-jan and No-Chien-chan (Mongolian delegate), be appointed to draft a manifesto decreeing the abolition of the said unequal treaties."

The reports in the Chinese newspapers stated that the foregoing resolution was passed amidst scenes of wild enthusiasm, the delegates shouting such slogans as "Down with Imperialism," "Abrogate all Unequal Treaties," etc. One delegate from Shantung delivered a fiery speech attacking the Japanese on the score of the twenty-one Demands of 1915 and also for their activities in that province as well as Manchuria, while Gen. Chiang Kai-shek delivered an address urging the concentration of the entire nation on the so-called "Six-year Reconstruction Program" which would in itself have the effect of elevating China to a position of equality with foreign nations. It was also of considerable significance that this particular session of the Convention was presided over by Marshal Chang Hsueh-liang, head of the Manchurian administration and Vice-Commander of the National Military and Naval forces. The *Reuter* report from Nanking dealing with the foregoing events stated that the manifesto to be issued by the Convention will include the following points: (1) The National Government be instructed to negotiate with the Powers for the immediate abolition of the unequal treaties; (2) The existence of the unequal treaties constitutes the most serious obstacle to the unification and reconstruction of China; (3) Those foreign governments which treat China on an equal basis be urged to fight with China in opposition to those Government which still have unequal treaties with China. It was declared that the Chinese people would be willing to make any sacrifice to achieve success on these measures. Dr. C. T. Wang, Minister of Foreign Affairs, who has negotiated more new treaties with foreign nations than has befallen the lot of any other Chinese foreign minister, and who has been chiefly responsible for the extrality negotiations, declared in the course of an address before the Kuomintang memorial service in Nanking on May 11 that China was determined to assume jurisdiction over foreign nationals residing in China not later than Jan. 1, 1932. "Nothing will alter this decision, irrespective of consequences," he declared, and in concluding his address expressed the hope that the Powers would continue the negotiations in order that the question might be settled before the end of the present year.

Aside from reports from Washington stating that negotiations are "continuing" between Dr. C. C. Wu, Chinese Minister and officials of the State Department, there have been no further reports regarding actual progress. However, the *United Press* on May 9, carried a report from Washington quoting Col. Henry L. Stimson, Secretary of State, on the general subject of American foreign policy, which had an indirect bearing on the extrality question. The *United Press* dispatch was as follows:

> "Secretary Stimson said that the United States will always afford protection for American nationals abroad. But, he told his radio audience, the protection will be given within the limits of the laws of the nation in which American nationals abroad reside.
>
> "However, he emphasized that the armed forces of the United States will not be used for the collection of debts.
>
> "The Secretary of State pleaded for peace. He cited the efforts being made to maintain the peace and he cited the manner in which the Kellogg Pact, outlawing war as a means of settling international disputes and providing for arbitration instead, was invoked at the time of the incipient Soviet Russian invasion of Manchuria last year when China and Soviet Russia were engaged in a dispute over the status of the Chinese Eastern Railway.
>
> "Secretary Stimson made no reference to the rebuffs he received from Moscow when he moved to apply the Kellogg Pact to the dispute between China and Soviet Russia, but he cited the application of the Kellogg Pact to the Manchurian situation as evidence of the benefit to be obtained from such agreements.
>
> "The Secretary of State expressed the belief that the Kellogg Pact will occupy an important place in the history of the peace movement."

The foregoing statement by Secretary Stimson, combined with statements by Arthur Henderson, British Secretary for Foreign Affairs, bear out the statement in the opening paragraph of this discussion—that the positions of China and the Powers on the question of exterritoriality have now been reversed. China instead of being a supplicant on the question, is now in a position where she can demand early action and that she will press her advantage goes without saying. The bringing of the extrality question before the National People's Convention was for the obvious purpose of arousing Chinese public opinion so that the Government may have the support of united public opinion in enforcing its desires. While there has been no official statement regarding the exact status of the negotiations which have been conducted in Nanking and Washington, it is obvious that the extrality question will shortly be settled and on terms highly advantageous to China.

The predicament which foreign interests in China now find themselves on this question is largely a situation of their own making. While China will undoubtedly go ahead and create the new courts on her own accord, these courts obviously will lack experience and it may be a considerable time before they are able to function efficiently, even with the assistance of foreign legal advisers. Tang Shao-yi, veteran Chinese statesman, once declared that a chief benefit to be derived from the abolition of exterritoriality, would be that the Chinese people would then have the assistance of the foreigners in the fight for honest, efficient and independent courts of justice. Foreign interests in China for the past decade have devoted their main propaganda efforts to resistence to any change in their status, thus overlooking the important factor that the treaties were drifting toward expiration. Had the foreigners, instead of resisting any change in their legal status, devoted an equal amount of attention to the devising of some practical compromise measures, they undoubtedly would have been in a much better position than is the situation today. Instead of facing the facts evident in the changed status of China and awakened atitude of the Chinese pople, most foreigners have listened to propagandists who, for one reason or another have tried to create the impression that there never could be any change in the status of foreigners residing in China. While the condition of the Chinese cuorts has a natural bearing on the situation, the chief and potent element in the present situation is based on the rapidly increasing strength of China and the inability or disinclination of the foreign Powers to offer resistance.

Elements Behind Chen Chi-tang's Revolt Against the Central Government

THE outstanding elements in the Canton situation which has begun to take on the aspects of an armed revolt against the Central Government are as follows:—

1—According to a statement by Gen. Chiang Kai-shek on May 11, the Canton trouble originated in a dispute between Gen. Chen Chi-tang, head of the Canton military and Gen. Chen Ming-hsu, chairman of the Kwangtung provincial government, over the local revenues. Gen. Chen Chi-tang's military command consisted of five divisions and according to the Government's regulations his military expenses should not have exceeded $1,500,000 a month. But despite the protests of Gen. Chen Ming-hsu, who was acting on behalf of the Central Government, Gen. Chen Chi-tang commandeered all revenues, including funds which belonged to the Central Government and gradually had built his monthly income to approximately $5,000,000. It was Gen. Chen Ming-hsu's constant protests against this situation which precipitated the military coup d'etat on April 28 and 29 resulting in Gen. Chen Chi-tang seizing supreme control and forcing Gen. Chen Ming-hsu to flee to Hongkong.

3—The day following the coup d'etat, or April 30, there were troop movements in Wuchow, metropolis of Kwangsi province, occasioned by the withdrawal of Gen. Chen Chi-tang's troops from Kwangsi province. This indicated that an arrangement already had been made between Gen. Chen Chi-tang and the Kwangsi rebel elements, further evidence being apparent in renewed military activities at Nanning, capital of Kwangsi where active recruiting had been in progress for some time.

4—Reports from both Canton and Hongkong as early as April 15 indicated an uneasy financial situation at Canton with runs on the provincial bank occasioned by the secret hoarding of silver apparently for war purposes by Gen. Chen Chi-tang and his associates.

5—While Canton's indictment of Gen. Chiang Kai-shek contained the names of the four "censors" Teng Chi-lu, Hsiao Fu-cheng, Lin Sen and Ku Ying-feng, all members of the National Supervisory Committee, the real instigator of the Canton revolt apparently was Ku Ying-feng, who was ambitious to be chairman of the Kwangtung provincial government and was disgruntled because the Nanking Government had either refused or was unable to give him the post.

6—Further elements in the Canton situation were the presence in south China of the remnants of the defeated Kwangsi rebel faction, Chang Fa-kwei's so-called "Ironsides," members of the Left Wing faction, including Wang Ching-wei, who had gone to the British Hongkong colony following the collapse of the Northern Military Coalition last year. Communist elements in Hunan and Kiangsi, who where being hard-pressed by the Government forces, also figured in the Canton revolt because a renewal of civil warfare in the South would help their position, possibly enabling them to join-up with Canton against the Central Government.

7—The quarrel between Gen. Chiang Kai-shek and Hu Han-ming, head of the Legislative Yuan, early last March over the question of the Provisional Constitution and the National People's Convention, also figured in the Canton revolt because Hu Han-ming is a prominent Cantonese politician. Gen. Chiang Kai-shek' action in preventing Hu Han-ming from departing from Nanking indicated Gen. Chiang's fear of a fresh revolt in the South.

8—Gen. Chiang Kai-shek's decision to call the National People's Convention for the chief purpose of adopting a Provisional Constitution, was largely due to his desire to placate disaffected political elements in the North who had opposed the National Government on the grounds that it was "dominated" by Cantonese. The bringing of Marshal Chang Hsueh-liang into the Government thus provided Canton with a motive for charging that the Central Government was "dominated" by Northerners and that Cantonese influence had been minimized.

9—The Central Government's action in withdrawing Gen. Chen Ming-hsu's troops from Canton to Kiangsi where they were engaged in the anti-Communist drive, provided Gen. Chen Chi-tang with the opportunity for the coup d'etat.

10—Gen. Chiang Kai-shek and his chief subordinate military officers, including Gen. Ho Ying-chin, Minister of War; Gen. Ho Chen-chun, Chairman of the Hupeh provincial government; Gen. Ho Chien, Chairman of the Hunan government and Gen. Lu Ti-ping, Chairman of the Kiangsi provincial government all issude statements on May 11 condemning the action of Gen. Chen Chi-tang in plotting a revolt against the Central Government and threatened military action.

Gen. Chiang Kai-shek's first definite statement recognizing the existence of a rebellion at

Canton was issued on May 11, in the course of an address before the weekly Kuomintang service in the Capital. After reviewing the Kwangtung financial situation, showing that the Canton trouble had originated in Gen. Chen Chi-tang's monopolization of provincial funds, apparently for the purpose of building up a "war-chest," Gen. Chiang expressed the opinion that the people of Kwangtung, being tired of war, would not long support a rebellion against the Central Government. In the second place, the people of Kwangtung had a natural antipathy for the Kwangsi troops and also for Gen. Chang Fa-kwei's "Ironsides" and if Gen. Chen Chi-tang attempted to form all alliance with these elements, he would be certain to lose the support of his home province of Kwangtung. In conclusion Gen. Chiang declared his doubt that Gen. Chen Chi-tang would "dare to revolt, but if he did, the General Government would be able to deal with the situation."

In further support of the Central Government, Gen. Chiang Kai-shek's chief military subordinates, Ho Ying-chin, Ho Chien, Ho Chen-chun and Lu Tih-ping, who command the Government's troops along the Yangtsze Valley and in Hunan and Kiangsi provinces, issued a lengthy declaration which took the form of a telegram to Gen. Chen Chi-tang. The declaration appeared in all the Chinese newspapers on Tuesday morning, May 12 and was substantially as follows:

> The entire nation was surprised at the action of Teng Chi-lu, Hsiao Fu-chen, Lin Sen and Ku Ying-fen in issuing their circular telegram attacking Gen. Chiang Kai-shek. It was regretted that these members of the Central Supervisory Committee had used this method of venting their personal grudges and thus disregarding the welfare of the entire nation. Despite the efforts of other members of the Central Supervisory Committee in Nanking, including Tsai Yuan-pei, Chang Ching-kiang, Wu Chih-hui, Li Chih-tseng, and Chang Chi, to rectify the errors of the four members of the Committee at Canton, they had failed to heed the advice, and Gen. Chen Chi-tang had himself issued another telegram attacking the head of the Central Government. As a result Gen. Chen Ming-hsu had been forced to depart from Canton and reports were circulated that active war preparations against the Government were being made. In taking this action, Gen. Chen Chi-tang was imitating the misdeeds of other unsuccessful militarists such as Chang Fa-kwei, Tang Shen-chi, Feng Yu-hsiang and Yen Hsi-chan.
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> In the past five years many militarists had rebelled against the Central Government, but all had failed in their objective. When revolutionists themselves embark on counter-revolutionary activities, the crime is all the more serious and their destruction must be even more speedy. When the telegram indicting the head of the Government reached Nanking, President Chiang immediately submitted it to the Government for investigation. The points of misunderstanding were immediately explained by the other members of the Central Supervisory Committee, hence if Gen. Chen Chi-tang had the interests of the nation at heart he would immediately stop all war preparations.
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> With regard to the Hu Han-ming affair this is purely a Party matter and should be settled by the Party. If the Party refuses to permit Hu Han-ming to resign, it is a matter for the Government to settle and no individual Party member has the right to assume supreme power. If the Party decides that Hu Han-ming must remain in the Capital to serve the Government, no individual has the right to hold a contrary opinion and attempt to force him to leave the Capital. Since this is a Party matter and Hu Han-ming is a member of the Party his personal movements must be controlled by the Party and not by any individual or group who are acting contrary to the Party's principles. Since Chen Chi-tang and his associates are military men they should obey the orders of the Party and not interfere in purely political affairs. In yielding to the prejudices of certain individuals and attempting to destroy the Party and Nation, these actions must be interpreted as counter-revolutionary.
>
> While Kwangtung province is wealthy, its resources cannot be used to finance a fight against the whole country. The Canton revolt is not supported by principles but rests solely on military strength. While it is admitted that Gen. Chen Chi-tang controls a considerable military force and has accumulated a large "war-chest," this by no means compares with the strength of Gen. Cheng Chiung-ming, who rebelled against the late Dr. Sun Yat-sen who attempted to thwart the Revolutionary Army. Gen. Chen Chiung-ming lost both his power and prestige and became an object of ridicule throughout the country.
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> The Government is now prosecuting a campaign against the Communists in Kiangsi, Hunan and Hupeh and the remnants are being exterminated. Should Chen Chi-tang provoke another civil war, this would likely destroy the Government's advantage in the anti- red campaign, which might result in a major "crime" in the annals of the Kuomintang, hence resulting in Chen Chi-tang being classed as a "rebel" in the sense of Chen Chiung-ming.
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> Several days have elapsed since the circulation of the telegrams attacking Gen. Chiang Kai-shek, but there has been no response from any responsible body. On the other hand Gen. Lung Yun, chairman of the Yunnan provincial government had denounced Gen. Chen's action. It is therefore hoped that Gen. Chen will not become the willing tool of disgruntled politicians. The attempt to enlist the aid of Kwangsi militarists is bound to be futile.
>
> Although Gen. Chen Chi-tang's troops were the best paid in the country, he was not satisfied and demanded a monthly fund of $4,300,000, and still was not satisfied. Should Gen. Chen not awaken to his mistakes he will be blamed by the entire country for expelling his associate, Gen. Chen Ming-hsu, chairman of the Kwangtung provincial government. This amounts to a serious abuse of military affairs and interference in the Party and political affairs. Gen. Chen Chi-tang is a man of wisdom and must make his decision. In the interest of the nation and in order to enable the Government to continue its campaign against the Communists, Gen. Chen Chi-tang is being given this friendly warning, hoping that he will not degenerate into a ring-leader of the revolt and destroy the peace and unity of the nation. Gen. Chen must be made to realize that Kwangtung is a part of China and cannot be appropriated by any single individual for personal, selfish purposes. Gen. Chen's army is a part of the Nation's military force and cannot be used for selfish purposes. It is hoped he will follow this peaceful advice and lay down his arms in order that national unity way be preserved.

Further on in these columns are reproduced a number of telegrams from *The Review's* correspondent at Hongkong giving a chronological report of the latest Canton developments, but reports which have appeared in the Chinese and foreign newspapers cast additional light on the Canton situation. The Canton correspondent of the *North China Daily News* on May 1 stated, "Many causes have contributed to the turn events have taken and not the least among them has been the faliure of Cantonese office-seekers to secure worth-while posts at the national capital. Many have tried, but practically all have failed. It is felt in Canton that Cantonese influence in Nanking today is well-nigh non-existent..... Gen. Chen Ming-shu and his associates are heart and soul with the Nanking regime, and therefore could not hope to continue for ever on good terms with the leaders of the clique which feels sore on the grounds that Nanking has not been liberal in conferring appointments on them.....When it became known that Generals Chiang Kwang-nai and Tsai Ting-chieh, where planning to bring their divisions from Kiangsi (where engaged in anti-red campaign) back to Canton, and it was

known that these divisions would support the National Government, Gen. Chen Chi-tang immediately sent his troops to Shiuchow, the railhead of the line that runs from Canton to northern Kwangtung, to intercept the troops of Chiang and Tsai and prevent them from marching on Canton.....Immediately after the ousting of Gen. Chen Ming-hsu, notices were issued to all revenue offices stating that in future all money would be retained in Kwangtung...."

Wang Ching-wei, Leftist leader now refugeeing in the British Colony of Hongkong, whose name is mentioned in the anti-Nanking manifestos, issued a declaration that the Provisional Constitution should not have been adopted by the National People's Convention, but that an emergency national congress of all Kuomtintang delegates should be called for the specific purpose of restoring the Party authority "and eliminating all dangers of the realization of a regime of personal dictatorship." In an article attacking Gen. Chiang which Wang Ching-wei published in the Nanhua-Nipao, organ of the so-called "Reorganizationists", published in Hongkong, he further attacked Gen. Chiang, alleging that all Kuomintangists desired his suppression; that the Convention at Nanking was composed solely of Gen. Chiang's supporters; that the draft of the Provisional Constitution introduced to the Convention at Nanking "was inferior even to the constitution which was proclaimed by Yuan Shih-kai in the first year of the Republic (1911)."

However, there has been evidence of considerable popular support for Gen. Chiang and the Central Government both in China and among Chinese residing abroad. A *Reuter* dispatch from Peiping stated that 20,000 persons attended a meeting in that city on May 5 which passed resolutions supporting the National People's Convention and the Government's program. A dispatch from Manila quoted Wu Pang-seng editor of the leading Chinese paper in that city, as urging the Manila Chinese Chamber of Commerce to support the Central Government and protect the unification of the country. The dispatch, however, stated that Nationalist Party officials in Manila had not as yet issued any statements on the China situation. Hu Han-ming, deposed chairman of the Legislative Yuan, was also stated to have wired Canton advising against a resort to arms.

A dispatch from the Yushan, Kiangsi correspondent of The *North China Daily News* published on May 13 stated that the people in his district "honored and respected Gen. Chiang Kai-shek and had no objection to his becoming President, a position which they felt he already occupied in reality." However, they doubted the advisability of holding an election at this time.

Although rumors were in circulation that Gen. Yen Hsi-shan (refugeeing in the Japanese zone at Dairen) had remitted large sums to Canton in support of the Chen Chi-tang revolt, a dispatch from Tientsin which appeared in *The China Press* on May 11 stated that Gen. Shang Chen, a former subordinate of Gen. Yen Hsi-shan, who is now in control of Shansi province, had succeeded in obtaining a loan of $1,000,000 (silver) from Tientsin bankers and in addition had obtained "several hundred thousand dollars of tobacco tax" which he was taking back to Shansi for use in troop reorganization. Since these large sums had been obtained through the assistance of Marshal Chang Hsueh-liang, it was not thought that Gen. Shang Chen or the Shansi forces were contemplating any hostile moves against the Central Government. Gen. Han Fu-chu, chairman of the Shantung provincial government, a former Kuominchun militarist, whose attitude had been questioned, allayed all suspicion by proceeding to Nanking to attend the Convention. Also, it was claimed that Gen. Shih Yu-shan, another Kuominchun military leader now stationed in southern Hopei and northern Honan, would support Nanking.

The continued refusal of Sun Fo, Minister of Railways and Wang Chung-hui, Chairman of the Judical Yuan, to return to Nanking from Shanghai constituted a disturbing element at the National People's Conference, resulting in a constant procession of Nanking officialdom to Shanghai for the purpose of trying to induce them to return to the Capital. Reports in the Chinese newspapers on Monday, May 11 stated that Wu Chi-hui, Chang Ching-kiang, H. H. Kung, and Li Shih-tseng had tried to pursuade the two officials to return to their duties in Nanking, but without success. It was reported that Wang Chung-hui had definitely decided to resign his Nanking position and proceed to Europe for the purpose of resuming his position on the International Court at the Hague. Sun Fo was alleged to have agreed to mediate between Nanking and Canton in an effort to prevent an outbreak of warfare due to the belief that such would accentuate the communistic complications in the southern provinces.

Gen. Chen Ming-hsu, the ousted Chairman of the Kwangtung provincial government, arrived in Shanghai from Canton on Tuesday.

The Chinese papers reported that the Government was dispatching Wu Tih-cheng and Chang Chi to Canton in an effort to bring about a compromise.

A report by *Kuomin* on May 11 claimed that Gen. Chi Hung-chang, had been successful in routing the red-bandit gangs along the Hupeh-Honan-Anhwei borders. It was claimed that some 7,000 bandits had been killed and among the 800 captives were found more than 100 Chinese women bandits in uniform. Government casualties were approximately 1,000.

A report by *The Review's* correspondent at Nanking on May 13 stated that Hu Han-ming, former Chairman of the Legislative Yuan, would shortly proceed to the United States.

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THE SEQUENCE OF EVENTS IN SOUTH CHINA

Hongkong, May 6. (9:30 P. M.)—It was announced here today that Gen. Chen Ming-shu, former head of the Kwangtung provincial government, who was ousted by Gen. Chen Chi-tang as a result of the recent coup, is departing shortly for Japan. Previous reports that he had sailed for Shanghai were incorrect, as it was only his secretary that sailed for Shanghai.

It was also reported today that Gen. Chen Chi-tang is offering Gen. Chiang Kuang-nai, commander of Gen. Chen Ming-hsu's 19th Route Forces now in Kiangsi province, the chairmanship of the Kwangtung provincial government, providing Gen. Chiang Kuang-nai will join the anti-Nanking movement.

The movement for an alliance between Kweichow, Kwangtung and Kwangsi provinces supposedly was advanced today as a result of the arrival of Chang Yang-cho, an envoy of Kweichow province, who has been conferring with Gen. Chen Chi-tang all day.

Tsou Lu, member of the Western Hills clique in the Kuomintang and so-called leader of that group was said to have arrived in Hongkong today. The present Cantonese leaders also claim that Dr. Wang Chung-hui, Sun Fo, Lin Shen, Chang Wei-cheung are also expected here soon.

Ku Ying-fan, Teng Tseh-ju, Hsiao Fu-cheng are strongly advocating the formation of a Provisional Military Council with the suggestion that Sun Fo be elected as Chairman.

The Canton Government has appointed the former "Ironside" Commander, Gen. Miao Pei-nan to the command of the vanguards of the Canton army to the North.

Gen. Chen Chi-tang is enforcing strict martial law with strict censorship over all telegrams, newspapers and in addition has placed an embargo on all export of silver. The regulations prohibit anyone from taking over $50 in silver out of Canton.

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Hongkong, May 7.—There were further indications of a reunion of Kuomintang Leftists and Rightists today when Chi-tang, Teng Tseh-ju and other Canton militarists conferred yesterday afternoon and decided to invite Wang Ching-wei, Hsu Chung-chi and Tsou Lu to Canton for the purpose of forming a new government.

Gen. Chen Chi-tang has instructed the newspapers in Canton to publish all of Wang Ching-wei's statements and comments on the China situation.

The Canton Government this morning telegraphed to Nanning, Kwangsi province, requesting Generals Li Tsung-jen and Bei Tsung-chi to lead the Kwangsi forces into Hunan province with the object of attacking the National Government's positions at Hankow.

Press gangs are active throughout the Canton district and hundreds of laborers are being enlisted daily for war service. The Government has also commandeered the revenues of the Canton-Kowloon and Canton-Samshui Railways and is contemplating a restoration of all the likin taxes.

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Hongkong, May 8.—The Kwangtung Provincial Government yesterday afternoon issued an anti-Nanking

proclamation, which demanded among other things the resignation of Gen. Chiang Kai-shek.

The Cantonese evacuation of Kwangsi province practically has been completed, according to reports from Canton which state that Gen. Chen Chi-tang has offered the control of the Wuchow municipality to Gen. Li Tsung-jen and has suggested that that the Kwangsi forces with the Ironsides be used to form the vanguard of Canton's planned expedition into Hunan province.

The Canton newspapers today published a statement from Wang Ching-wei, Left Wing leader, declaring that the Northern Generals, Yen Hsi-shan and Feng Yu-hsiang are supporting the Canton movement.

It is understood that Feng Chu-wan and Chen Wei-chow, the latter a brother of Gen. Chen Chi-tang, are departing immediately for Tientsin with the object of conducting negotiations with Kuominchun and Shansi military commanders in the hope of obtaining their allegiance to the Canton rebellion.

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Hongkong, May 9.—Gen. Chen Ming-shu, who was ousted from his position as chairman of the Kwangtung Provincial Government as a result of the coup d'etat of Gen. Chen Chi-tang, sailed for Shanghai yesterday on the Empress of Russia It was reported here that Gen. Chen Ming-shu planned to proceed to Japan.

The Canton situation shows some improvement today although the attitude of Gen. Chen Chi-tang toward the National Government, remains obscure.

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Hongkong, May 10. (5 P. M.)—Despite reports of peace negotiations between Canton and Nanking, troop movements continue throughout Kwangtung province. Gen. Chen Chi-tang's 3,000 garrison troops previously stationed at Swatow have evacuated that city for concentration purposes on the North River.

The Swatow, Chaochowfu and Meihsien districts have been taken over by Gen. Li Chi-shen's former troops

Gen. Chen Chi-tang held another conference yesterday with Admiral Chen Tseh, Ku Ying-fan and Miao Pei-nan regarding Nanking's peace offers.

Gen. Chen Ming-shu's subordinates in the Provincial Government and Finance Minister have resigned enbloc.

The Canton Government has appointed Lin Yun-chieh as Acting Finance Minister in place of Fan Chi-wu, who has resigned.

Gen. Li Tsung-jen, Kwangsi commander, has removed his headquarters from Nanning to Wuchow.

Gen. Chen Chi-tang, in an address to his regiments yesterday declared that Gen. Chiang Kuang-nai's 19th Route Army in Kiangsi, remains loyal to Canton and looks to Canton for financial support.

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Hongkong, May 11 (11:45 P. M.).—It was reported here today that the Kwangsi military leader, Gen. Li Tsung-jen departed from Haiphong by steamer yesterday on his way to Canton for the purpose of attending a military conference scheduled for Friday. The conference was called by Gen. Chen Chi-tang for the purpose of considering a military alliance between Kwangtung and Kwangsi.

Fu Pin-chang, Gen. Chang Hui-chang of the Nanking Aviation Department, and Liu Chi wen, Customs Superintendent at Shanghai, arrived at Canton today. It is understood that Liu Chi-wen has been sent to Canton by the National Government for the purpose of interviewing Gen. Chen Chi-tang and Ku Ying-fan.

Taking advantage of the chaotic situation at Canton, the Chinese naval force stationed at Kiungchow, Hainan Island, revolted last weekend, killed several of their officers and looted more than 100 Chinese shops. The trouble finally was suppressed by troops from Hoihow which arrived on Sunday.

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Hongkong, May 12.—The Canton Government has announced the issuance of $20,000,000 treasury bonds for war purposes. Of this sum, Gen. Chen Chi-tang has assigned $1,500,000 to cover the cost of mobilizing the Kwangsi forces. Gen. Chi-tang has also announced that invitations have been sent to Generals Li Tsung-jen, Bei Tsung-chi, Chang Fa-kwei, and Huang Shao-hsiung to proceed to Canton for a conference with the object of forming a military coalition with headquarters in Canton.

It is rumored here that Liu Chi-wen, Customs Superintendent at Shanghai, has joined the anti-Chiang Kai-shek movement. According to a report from Canton Mr. Liu delivered an anti-Nanking speech before the Kwangtung provincial Kuomintang yesterday wherein he assured the meeting that Sun Fo, and Wang Chung-hui were proceeding to Canton from Shanghai shortly.

Gen. Li Tsung-jen has sent a telegram to Hongkong inviting Gen. Huang Shao-hsiung to return to Kwangsi and assume the position of administering the Kwangsi provincial government while Gen. Li Tsung-jen leads 25,000 Kwangsi troops and Ironsides into Hunan.

It was also reported here today that the Chinese Northwestern military elements have sent delegates to Canton who are now holding conferences with Gen. Chen Chi-tang. As a result of the arrival of the Northwestern delegates; Feng Chu-wan, who was being sent by Gen. Chen Chitang to Tientsin, has cancelled his trip.

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Hongkong, May 13.—Reports from Canton this morning state that Gen. Chen Chi-tang is contemplating the appointment of Gen. Li Tsung-jen as Commander-in-Chief of the combined Kwangtung-Kwangsi allies with Gen.Chen Chi-tang serving as Assistant Commander-in-Chief. Generals Bei Tsung-chi and Chan Fa-kwei will be appointed as commanders of the vanguard.

Gen. Chen Chi-tang's troops are now engaged in the erection of five fortification along the northern Kwangtung border and are mobilizing troops along the Chinese section of the Canton-Kowloon Railway.

A serious development of Communist outrages has been reported in the East River district, following the evacuation of the Cantonese troops and their transfer to northern Kwangtung.

Communist forces from Fukien province occupied the towns of Hopinghsien and Lungchunhsien in northeastern Kwangtung and were responsible for the massacre of some 500 villagers and extensive looting and incendiarism.

Convention Adopts Constitution; Passes Many Resolutions Dealing with National Welfare

THE National People's Convention which opened in Nanking on May 5 adopted by practically unanimous vote on May 12 the Provisional Constitution. A translation of the document was not available for this week's issue of *The Review*, but telegraphic reports from Nanking which appeared in the Chinese and foreign newspapers on May 13 stated that the Constitution as adopted was similar in general outline to the preliminary draft which appeared in our issue of May 9 (Page 344), but that a number of additional articles were added at the final session. The articles, seven in number, pertained to largely to educational matters, development of national resources and relations between China and Tibet and Mongolia. According to a report issued by the *Central News Agency* in Nanking, which appeared in *The China Press*, one of the most important amendments dealt with the power of interpreting the Constitution which which shall be exercised by the Central Executive Committee of the Kuomintang, instead of a Provisional Constitution Interpretation Committee as provided in the original draft. Another amendment provided for the annual compilation of government budget and financial statement of income and expenditures which must be published. A brief summary of the document issued by Reuters service was as follows:

The Provisional Constitution adopted includes the following important points:

The Chinese Government shall for ever be a Republic.

The permanent capital of the Republic of China shall be Nanking.

Except in accordance with law the property of citizens of the Republic shall not be sealed or confiscated.

During the Political Tutelage Period the highest political authority shall be the Kuomintang: The National Congress of the Kuomintang delegates shall exercise the government powers on behalf of the National People's Convention. During the recess of the National Congress of the Kuomintang delegates the Central Executive Committee of the Kuomintang shall exercise the said powers.

The Chinese Government is pledged to give full protection to the working classes.

There shall be absolute sex equality in educational matters.

There shall be a Chairman of the National Government.

The Chairman of the National Government shall be elected by the General Executive Committee of the Kuomintang.

The presidents of the various Yuan and the various ministers shall be nominated by the Chairman of the National Government and shall be appointed by the National Government Office.

Part of the 450 delegates who attended the National People's Convention at Nanking, this picture being taken before the auditorium where the meetings are being held.

The Provisional Constitution shall be the supreme law of the Republic during the period of Political Tutelage.

The Constitution also states that as a general principle, shipping interests shall be in the hands of the National Government but the Government may also encourage the development of shipping by private companies.

The Chairman of the National Government shall represent the National Government both in home affairs and foreign relations.

Aside from the adoption of the provisional Constitution the Convention considered and adopted for the future consideration of the Government, a number of important resolutions pertaining to domestic affairs and China's international relations. Of considerable interest was a report made at the session on May 12 by Gen. Ho Ying-chin, Minister of War, on the status of the anti-bandit and anti-Communist campaign. Red-banditry and Communism in Kiangsi province alone had resulted in a decrease of 180,000 in the population and property losses estimated at $6,000,000. Foodstuffs, including rice and other grains which had been destroyed amounted to 50,000,000 piculs (15 piculs to a ton). The Government's chief difficulty in suppressing red-banditry and Communism, according to Gen. Ho, was due to lack of cooperation between the local population and the government's forces, the local population being in constant fear that the outlaws will return and carry out reprisals. Another difficulty was the inability of the Government to keep its troops paid, resulting in desertions to the red forces. He stated that the Government now has approximately 200,000 troops in Kiangsi and expressed the hope that the campaign which started in April would be able to eliminate the major red bands within a period of three months. The Convention also adopted a manifesto pertaining to the abolition of the so-called unequal treaties and instructed the Government to take immediate action.

A summary of the day-to-day reports dealing with the various sessions of the Convention, which were issued by the official *Kuomin* service, appears herewith:

* * *

Nanking, May 6.—The first preparatory meeting of the Convention was held at ten o'clock under the chairmanship of President Yu Yu-jen and attended by 462 delegates and 39 members of the Central Executive and Supervisory Committees. Mr. Yeh Chu-tsang acted as Chief Secretary pro tem.

After the seats of the various delegates had been determined by lot, the election of nine members for the Presidium of the Convention was proceeded with.

Besides General Chang Hsueh-liang and President Yu Yu-jen, who were nominated respectively by the National Government and the Central Party Authorities, the following seven members for the Presidium were elected:—

Chang Chi (Vice-President of the Judicial Yuan).

Tai Chi-tao (President of the Examination Yuan).

Wu Teh-cheng (Member of the Central Executive Committee).

Chow Tso-min (delegate chosen by Chambers of Commerce of Peiping).

Ling Chi-fu (delegate chosen by Peasants' Unions in Kwangtung).

Chen Li-fu (Chief Secretary of the Central Party Headquarters).

Liu Shun-i (woman delegate chosen by Labor Unions in Shensi).

Abolition of Unequal Treatics

That the Convention should declare, of its own accord, the termination of the various unequal treaties by which China is still being bound is urged in a proposal submitted by the Chekiang delegation. The measures advocated are:—

1. The National Convention should issue a circular telegram to the various Powers concerned declaring that all the unequal treaties shall hereafter be null and void.
2. All the States whose old treaties have been abrogated and which have not concluded new treaties with the National Government, shall be accorded the treatment of non-treaty Powers.
3. All treaties to be hereafter concluded by the National Government should be based absolutely upon the principle of equality and reciprocity.
4. Those States which voluntarily abrogate their (unequal) treaties with China should be accorded the most-favored-nation treatment.
5. All the delegates of the Convention should pledge themselves to make whatever sacrifice is necessary for the termination of the unequal treaties.

Nanking, May 7—The second preparatory meeting of the National People's Convention was held today under the chairmanship of President Yu Yu-jen and attended by 455 delegates and 44 members of the Central Executive and Supervisory Committees and State Councillors of the National Government.

Agenda at First Regular Session

The agenda for the first regular session includes the following proposals:

1. A fitting tribute be paid to the Revolutionary martyrs as well as the soldiers and officers of the National Army who made the supreme sacrifice during the various punitive expeditions.
2. The overseas Chinese Revolutionary Comrades be commended for the valuable contributions they have made towards the cause of the National Revolution.
3. The military units now engaged in the bandit-suppression campaign be appropriately encouraged and commended.
4. The draft *Yuen Fa* (Provisional Constitution), submitted by the National Government, be adopted.
5. The new National Education Policy, submitted by the National Government, be adopted.
6. The National Industrial Reconstruction Program, submitted by the National Government, be adopted.
7. Other emergency resolutions.

Committees Appointed

At a meeting of the Presidium held in the evening, the following investigation committees were appointed:—

General Proposals Investigation Committee, with Mr. Wu Chih-hui responsible for convening meetings of the Committee.

Military Affairs Committee, with General Chu Pei-teh as convener.

Foreign Affairs Committee, with Mr. Wang Shih-chieh as convener.

Finance Committee, with Mr. Lien Sheng-hai as convener.

Legislative Committee, with Mr. Ting Wei-fen as convener.

Economic Committee, with Mr. Chin En-chi as convener.

Educational Committee, with Dr. Tsai Yuan-pei as convener.

Civil Affairs Committee, with Mr. Niu Yung-chien as convener.

More Women Delegates

The Presidium, by a unanimous resolution, granted the following ten woman delegates (not duly elected) the privilege of attending the Convention, without the power of voting:—

Yu Wei-hua (Tientsin); Li Yin-ying, (Szechuen); Mo Chang-tzu (Honan); Tsao Teh-chin (Anhwei); Sung Chien-chiu (Shantung); Tang Kuo-chin (Nanking); Tan Hsuan-yin (Shanghai); Wang Su-i (Peiping); Yu Yen-chun (Kiangsi); and Kung Tseng-wei (Hupeh).

Seventeen others were also granted the privilege of being present at meetings of the Convention as observers.

Abolition of Unequal Treaties Expounded by Shensi Delegate

Nanking, May 8—In connection with the resolution for the abolition of the unequal treaties, the Shensi delegate submitted eight points for consideration of the Manifesto Drafting Committee headed by Marshal Chang Hsueh-liang as follows:

1—Restoration of the various ceded territories.
2—Restoration of the various foreign concessions.
3—Restoration of the various leased territories.
4—Restoration of the various foreign railways operating on the Chinese territory, and also the railway zones.
5—Abolition of the Legation quarter system at Peiping, and also the maintaining of special troops and police within the legation quarter.
6—Abolition of the so-called spheres of influence maintained by the various powers on Chinese soil.
7—Abolition of the foreign navigation rights in the inland rivers.
8—Abolition of extraterritoriality.

PROVISIONAL CONSTITUTION INTRODUCED

Nanking, May 8.—The first regular session of the National People's Convention was held today under the chairmanship of President Yu Yu-jen.

On the motion of the Presidium, the meeting also decided that a circular telegram should be issued to the troops now engaged in the bandit-suppression campaign, commending them for the meritorious services they have thus far rendered in the extermination of banditry and calling upon them to redouble their efforts for the early eradication of the bandit menace in the country.

The resolution for the adoption of the draft *Yueh Fa* (Provisional Constitution) was then formally introduced by President Chiang Kai-shek after the whole text of the final revised draft had been read aloud by Chairman Yu.

In introducing the draft on behalf of the National Government, President Chiang said that with the National Revolution already entering upon the period of Political Tutelage, it was necessary to enact and decide upon a Provisional Constitution which would be binding upon the Government and the people. He pointed out that it was in complete accord with the bequeathed teachings of the late Leader that the draft been drawn up; and he expressed the hope that all the delegates would give the proposal their fullest consideration.

Explaining the nature of the draft *Yuen Fa*, President Tai Chi-tao pointed out that the main purpose of the present Convention was to consolidate national unity as well as to map out plans for national reconstruction. In order to attain this object, it was indispensable to have a Provisional Constitution, to which both the Government and the people may conform during the Political Tutelage Period.

Continuing, he said that the draft was completely based upon the bequeathed teachings of the late Leader. It would remain in force until the inauguration of the era of Constitutionalism.

He then proceeded to make a general survey of the contents of the draft. The first chapter, he pointed out, defines the three essentials of a State, namely, territory, population and Sovereignty.

Chapter 2 defines the rights and duties of the people. In view of present conditions in the country, it has been deemed necessary to give constitutional safeguards to the rights and liberties of the people. Provision is therefore made for the protection of the liberty. property and political rights of the people against illegal encroachments.

Regarding the duties of the people, President Tai pointed out that besides the usual duties of paying taxes and undertaking military service, the draft constitution also provides that the people shall be subject to the duty of performing compulsory labor for the state. This constitutes a departure from the Constitutions of the West and is considered necessary in order to accelerate the realization of the various national reconstruction projects.

Chapter 3 on the Political Tutelage program is based upon the resolutions passed at the Third National Congress of the Party.

Chapter 4 contains provisions aiming at the realization of the Principle of Livelihood.

Chapter 5 defines the Educational policy of the nation. Besides laying down the fundamental educational policies, provision is also made to secure for both boys and girls an equal opportunity of receiving education. As China is essentially an agricultural country, special provision is made for the development of agriculture and rural education.

Chapter 6 deals with the division of power between the Central and Local governments. The principle of equilibrium of power between the Central and Local Governments has been adopted.

The organization of the Central Government provided for in Chapter 7 is somewhat different from that laid down in the late Leader's "Fundamentals of Reconstruction." According to the "Fundamentals," the Republic is to have at its head a President (Chung-tung), which post shall be held concurrently by the Chairman of the Executive Yuan. But these provisions laid down with the view of enforcing them during Dr. Sun's lifetime. With the death of our late Leader, closer cooperation between the various Party comrades was necessary for the accomplishment of the various political programs. It is for this reason that the Committee system has been adopted ever since the 14th year of the Republic.

Regarding the organization of the local Governments, the draft constitution has left that open for separate legislation.

Chapter 8 the "Annex", provides that a Permanent Constitution should be drafted by the Legislative Yuan at the appropriate time in order to replace the Provisional Constitution.

An animated discussion participated in by over fifteen delegates then ensued. Many revisions were suggested, among which the most noteworthy was one to the effect that the Presidents of the five Yuan should be appointed by the Central Executive Committee, instead

(*Continued on page 403*)

Conference on Silver is Voted by International Chamber

The resolution which was presented by Tsu-yee Pei, manager of the Foreign Department of the Bank of China in Shanghai, calling for a world-wide conference on silver, was adopted at the sixth biennial congress of the International Chamber of Commerce held in Washington, May 9. The resolution reads as follows:

"The International Chamber of Commerce, realizing the serious consequences of the present silver situation to the economic condition of the world, considers the convocation of a conference during the current year for the purpose of seeking a solution of the problem at which all interested bodies may be heard, to be eminently desirable, and urges the National Committees to bring the matter to the attention of their respective Governments."

The representatives of China, India, Japan and the United States two days previously attended a lengthy conference called by Senator William H. King from Utah and all agreed to support the Chinese resolution. The British delegation, headed by Sir Arthur Balfour, pointed out that the problem was technical and economic rather than political, and at first demurred to the wording of the resolution. The British delegation later withdrew its objection and supported the resolution.

The proposed international conference will consider ways and means of increasing and stabilizing silver values. The conference will be convened within the current year and it will seek to dispose of the problems arising from depressed silver values. Later telegrams from Washington pointed out that no country is named as the one that is to take the initiative. President Hoover has already made it clear that the United States would not call such a conference. Senator King has also expressed doubts as to the ultimate success of the proposed conference.

Having adopted the resolution calling for the international silver conference and having adopted several other resolutions the Sixth Congress of the International Chamber of Commerce adjourned sine die.

Resolution Is Vague

In defining the scope and membership of the proposed international silver conference, the resolution is vague, says the *United Press*. To what extent it will be predominantly political or composed of non-political experts must depend upon the extent to which Governments as such participate.

Throughout the Congress, which sat for a week with delegates from 46 nations attending, there were efforts to sidestep the silver issue. But Senator King, Tsu Yee-pei of the Bank of China, and the Japanese, Indian and French delegates effected a compromise. Arrangements are still to be made for the organization and agenda of the forthcoming conference.

The Chinese delegates and others who vanquished opposition to the silver resolution, in an interview in Washington, expressed great pleasure that the final plenary session of the International Chambers made an international silver conference possible. It is considered in Washington that in all probability London will be selected as the site for the conclave in accordance with the suggestions of Senator King.

In an address broadcast by radio to all parts of the country May 10 Senator Borah praised the action of the Congress in passing a resolution providing for an interational silver conference. "Depressed silver values have created a serious problem," Senator Borah said. "We have a problem which cannot be solved by the passing of resolutions or simply through the actions of citizens. The Governments must play their part in dealing with a vitally important problem."

Lower Customs Tariffs Are Urged

In addition to adopting a resolution providing for an international silver conference the International Chamber passed a resolution urging the nations of the world to stimulate trade by lowering tariff barriers. It passed a resolution providing for greater mobility of international funds through the establishment of institutions such as the Bank of International Settlement at Basle.

Another resolution stressed the necessity of the adoption by industry of plans for unemployment insurance and benefits of a similar nature.

Still another resolution urged the nations to reduce the burdens of armament under which they are struggling

German is Elected President

Dr. Franz von Mendelssohn of Germany was elected president to succeed M. Georges Theunis, the former Premier of Belgium Dr. Mendelssohn did not attend the Congress but by radio from Germany despatched his greetings. Dr. Mendelssohn pleaded for a reduction in war debts and in tariff walls. He said that the reductions he urges would do much to relieve the economic depression from which the world is suffering.

Japanese Urges Lower Trans-pacific Cable Rates

Before the adjournment was taken, the communications section, under the leadership of Yukinori Hoshino of Osaka, urged a complete study of cable rates in force between Japan, China and other countries. Cable rates between the Orient and other countries are excessive, Mr. Hoshino said, despite a number of reductions made in recent years The communications section of the International Chamber of Commerce objects especially to the overland cable-telegraph tolls between San Francisco and New York.

Re-examination of War Debts Is Favored

The International Chamber of Commerce at its final meeting on May 9 formally recorded the conviction that war debts should be open for re-examination. Pointing out that the integrity of obligations was fundamental for the maintenance of international credit and the expansion of commerce the resolution says: "The observance of this principle, however, is not inconsistent with an impartial examination of the effects of these obligations upon international trade, if warranted by changed economic conditions."

British Economic Mission Favors Longer Credits

An immediate conference with Chinese financial and industrial interests to explore the possibilities of British participation in the development of China was urged in the formal report of the British Economic Mission to the Far East, made public in London May 7. The report, which was drafted after a six months tour of China by the Mission, also urged further international action to stabilize the price of silver.

The report went exhaustively into the situation created by Japanese competition with Great Britain and it recommends that the Department of Overseas Trade soon summon a conference of British bankers, industrialists, exporters and heads of merchant houses to consider the provision of long term credits for exports of machinery and other equipment to China.

The report of the Mission, which was headed by Sir Ernest Thompson, says that "Japan is now the most formidable competitor in the markets of the world with Great Britain's chief export—cotton goods—and the products of several other industries."

According to the findings of the report, iron and steel are the principal trades in which Great Britain's competitors have advanced in Japan.

"A revival of trade may give opportunities for increased imports of such goods," declares the report, "but it is essential that the manufacturers have resident experts in Japan to maintain their sales organizations at efficient levels."

The report declares that the increasing development of Japan and the consequent demand for improved public utilities indicates that in the very near future there will be a greater necessity for the importation of foreign machinery. In this connection the report strongly recommends that the manufacturers investigate closely the possibilities of cooperation with Japanese industry.

"However," says the report in its blunt advice to British manufacturers, "the first essential is expert selling at low prices."

Report on Cotton

The report endorses fully the recent report of the cotton section of the British Economic Mission. And referring to the wool textile industry the report says:

"It appears to be only a question of time until Japan will be able to satisfy the whole of her own needs."

Referring to Japan's export trade in certain goods to Great Britain the report says:

"It is imperative that British industry be organized to meet this competition and confine it to its narrowest possible limits when it comes."

IN THE UNITED STATES COURT FOR CHINA

MARY BAKER BATTERTON,
Plaintiff.
vs.
BENJAMIN ALFRED BATTERTON,
Defendant.

Cause No. 3349
Civil No. 1486
ORDER.

Filed at Shanghai, China, this 15th day of April, 1931.
L. T. KENAKE
Asst. Clerk.

ORDER.

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS Plaintiff herein by her attorneys, on the 15th day of April, 1931, made application for the substitution of publication for personal service of summons upon the Defendant herein; and

WHEREAS it appears from the files of this case that on the 15th day of April, 1931, the summons for the Defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 15th day of April, 1931, Mary Baker Batterton, the Plaintiff herein, filed an affidavit to the effect that the Defendant herein was not residing in the Republic of China nor has he been within the jurisdiction of this Court during the last six months previous to the 16th day of April, 1931.

NOW, THEREFORE it is this 15th day of April 1931, ORDERED that service upon the Defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review" a paper of general circulation most likely to reach the Defendant.

IT IS FURTHER ORDERED that the Defendant Cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 2nd day of may, 1931, the day of the last publication of this Order; otherwise the case will be proceeded with as in cause of default.

BY THE COURT

Milton D. Purdy
Judge

CUSTOMS NOTIFICATION No. 1212

CONSOLIDATED TAX

The Public is hereby notified that this Office will collect Consolidated Tax from May 16th, 1931, on Foreign Cotton Yarn, Matches, Cement, Rolled Tobacco and Wheat Flour imported from abroad, and on native-made Cotton Yarn, Direct Products of Cotton Yarn, Matches, Cement, Rolled Tobacco and Wheat Flour imported from ports in China at which the Consolidated Tax is not in force.

Consolidated Tax will be collected according to the rates of the existing Consolidated Tax Tariff.

(W. R. Myers)
Commissioner of Customs
CUSTOM HOUSE,
Shanghai, 11th May, 1931.

CUSTOMS NOTIFICATION

The public is hereby notified that the new Export Tariff will be enforced as from the 1st June, 1931. Copies of this Tariff are now on sale and full particulars will be given on personal application being made at this Custom House.

Liu Chi-wen,
Superintendent of Customs.

W. R. Myers.
Commissioner of Customs.

Custom House
Shanghai, 12th May, 1931.

The report attributes the decline in British trade with Japan chiefly to the aggressiveness of the United States in the matter of sales and to the low prices which Germany has offered. It says that Great Britain does not study her markets, that she does not advertise as do her competitors. The Mission reported that in its travels in the Far East it was impressed with the aggressiveness and the advertising campaigns of Great Britain's competitors.

"We noticed in the Far East," says the report, "signs of propagaganda on the part of other nations. The effect of that propaganda is harmful to British interests. We commend the subject for the consideration of the British Government."

Conference Suggested

In its conclusions the report of the Mission recommends that the Department of Overseas Trade should soon summon a conference of British bankers, industrialists, exporters and the heads of merchant houses to enquire into complaints of the Japanese that British finance is inadequate for the needs of the Japanese market. This conference, recommends the report, should also consider the provision of long term credits for exports of machinery and other equipment to China. As above mentioned, the report recommends an immediate conference of British financial and industrial interests to explore the possibilities of British participation in the developmentof China and it urges international action to stabilize the price of silver.

In concluding the report asserts: "The disparity in the prices offered by Great Britain and her comptitors is, in our view, excessive. Therefore, production and all other costs must be reduced until the prices of British goods again reach a competitive level."

Sir Ernest Thompson and Sir Thomas Allen, two members of the Mission, in an interview in London stressed that the Mission was unanimous. The engineering representative, they said, believed there still was purchasing power in China for high class British engmeering products. They pointed out with regard to the proposal for the grouping of trades that Britain's competitors followed the plan most successfully in China and they believed if Britain made a national effort to get her products on a more competitive basis she would succeed.

Young Chinese Anxious to Learn

The Mission, they said, was much struck by the ability and strong inclination to learn on the part of young Chinese and emphasized very strongly the necessity for much more intensive British propaganda through every channel. They deprecated the value of the British trade effort and urged Britain to organize her industral proficiency in the public press. The Mission, while not making a recommendation, strongly advocated the despatch of a British trade ship which could show British goods in all ports also in many inland centres of China, owing to her great waterways.

The convocation of a world wide economic conference as the only means of dissipating the economic crisis was suggested by J. H. Thomas, the Secretary for the Dominions, in a speech at Leeds England, May 7. Mr. Thomas challenged any student of affairs to name any country offering better hope of confidence than Britain, where there is more employment to-day than in the boom period of 1913. Nevertheless, he continued, worldwide rehabilitation was impossible while prices of primary products were unstabilized. He said that America was going through hell, and was finding it uncomfortable to have bulging gold coffers.

Hope for Lancashire Held Out

Sir Ernest Thompson, speaking at Manchester May 5 expressed confidence that there was a brighter side to cotton trade prospects than the mission had been able to depict. He said he was sure Lancashire would eventually regain a good part of the trade she had lost. Sir Ernest added that Japan had made enormous efforts in the last few years to capture the world's cotton trade but he was convinced she would be unable to keep up that rate.

Manchester Protests Against Indian Boycott

A dramatic scene on the floor of the Manchester Royal Exchange took place May 5 when 8,000 members assembled to record Lancashire's protest against the Indian boycott and the increased import duties on cotton goods. A resolution was passed urging the Government to use its utmost endeavors to procure a remedy.

A counterblast to this was a report from Bombay stating that Mr. Mody, the Chairman of the Mill-owners' Association, who was a member of the Indian Round-Table Conference, declared that Lancashire stood in need of clear thinking. Mr. Mody said that Lancashire's plea of goodwsc and fair dealing would find a ready response in milye Indian business men, but political pressure was poweralli to effect a sale of Lancashire goods, just as a poliatns boycott was powerless to circumvent tbe economic lawsl

The Chinese Language in Fifty Ten-Minute Lessons!

BY PROF. W. A. SCHARFFENBERG

Lesson No. XVIII

RADICALS

邑

31. 邑 Radical number 163, pronounced i, in the fourth tone. This radical in its contracted form is generally written thus 阝 and on the right hand side of the character. Used to represent a city or town; generally refers to a capital city or district. For further description of this radical see character No. 7 of Lesson II.

食

32. 食 Radical number 184, pronounced ʃz in the fifth tone. The upper part 亼 meaning union, or together, and lower part 艮, represents grain or food. The combination of the two 食 is said to refer to the meaning of the six kinds of grain of which human food is prepared. Now used in connection with eating and drinking.

車

33. 車 Radical number 159, pronounced tʃĒ in the first tone. This is a picture of a wheeled vehicle as a carriage, cart or barrow. It is also used to represent the chariot in Chinese chess. Used in characters having to do with things having wheels, or of characteristic movements of wheels.

貝

34. 貝 Radical number 154, pronounced pĒi, and in the fourth tone. Used in characters having to do with articles of or made of valuable things as pearls, gems, etc.

阜

35. 阜 Radical number 170, pronounced fĒV in the fourth tone. This radical when contracted is written thus 阝, written in the same manner as radical number 163 of this lesson. In connection with characters it can readily be distinguished as this radical will always be found on the left hand side of the character, while radical number 163 will always be found on the right hand side of the character. It refers to a mound, or fertile, abundant, or prosperous district.

4 問 86

Character No. 86 (問4)

To ask, to enquire, to investigate

Pronounced wĒn

The character 問 is composed of 門 a door, and 口 a mouth. Represents an individual at the door requesting certain information. A very practical and useful character.

4 再 87

Character No. 87 (再4)

Again, a second time, or on another occasion

Pronounced tzaI

The character may be divided into the following parts: 巾 representing a scale, 二 representing a second weighing; and 一 on the top representing the horizontal beam. Hence the idea of repetition, a second time, again.

3 會 88

Character No. 88 (會3)

To meet, together a guild or society

Pronounced RuĒI

A combination of 亼 which has the idea of union as of an assemblage; and 曾 to add. Hence the meaning of meeting, collection of a number of people, the union of a number of individuals to form a guild or society. If is also used in the sense of to be able to do or perform a certain task or piece of work.

4 本 89

Character No. 89 (本4)

The root, origin, natural, native.

Pronounced pĒn

This character represents a 木 a tree, and — the earth line, or that portion of the tree called the trunk. It is used as a classifier when speaking of books, paintings, or documents. Also used as the personal prononn I or we. Native as opposed to foreign, personal, or that belonging to one, one's own.

4 位 90

Character No. 90 (位4)

Numerative of persons in the polite form. Position, place, a degree, a throne.

Pronounced uEI

Composed of 亻 a man and 立 standing erect. Hence the idea of a place or position assigned to each official. The seat or throne of the highest official of the land. It has been borrowed to act as the classifier of man when speaking in polite form.

VOCABULARY LIST

149.	問人	— wĒn rĒn	— to enquire
150.	問話	— wĒn Ruɔ:	— to question
151.	問不問	— wĒn pu' wĒn	— (will you) enquire into the matter?
152.	不問	— pu' wĒn	— no matter
153.	再問	— tzaI wĒn	— ask again
154.	再三	— tzaI san	— a second or third time, repeatedly.
155.	再生	— tzaI sen	— to be born again
156.	再會	— tzaI RuĒI	— good-bye, till we meet again
157.	國會	— kuĒ' RuĒI	— Parliament
158.	會不會	— RuĒI pu' RuĒI	— (are you) able to do it?
159.	不會	— pu' RuĒI	— cannot do it,
160.	本來	— pĒn laI	— originally
161.	本年	— pĒn nen	— the present year
162.	本日	— pĒn r'	— today
163.	本國	— pĒn kuĒ'	— our native country
164.	本地	— pĒn ti	— one's native place
165.	本人	— pĒn ĒN	— one's self.
166.	本事	— pĒn sz	— ability, skill
167.	一本書	— i pĒn ʃu	— a book
168.	兩本	— lian pĒn	— two (as books)
169.	方位	— fan uĒI	— relative positions as right, left, above, below
170.	一位	— i uĒi	— one (referring to persons).
171.	兩位	— lian uĒi	— two (referring to persons).

SENTENCE WORK

191.	先生來的時候可以問他	—When the teacher arrives you may ask him.
192.	我他問，先生好麼	—I asked him, "Is the teacher well?"
193.	你問不問先生	—Did you ask the teacher?
194.	我沒有問先生	—I did not ask the teacher.
195.	可以再問我	—You may ask me again.
196.	再三的問他也可以	—You may ask him again and again.
197.	去的時候可以說再會再會	—When you leave you say "good-bye."
198.	會不會說中國話	—Can you speak Chinese?
199.	本來我不會說中國話	—Formerly I could not speak Chinese.
200.	現在我會說一些中國話	—Now I can speak a little Chinese.
201.	本年他要來	—This year he'll come.
202.	本日我不很好	—I am not very well today.
203.	中國是我吾本國	—Cnina is my native country.
204.	本地的人是外國人	— The people in this locality are foreigners.
205.	本人也要學中國話	—I, too, want to study Chinese
206.	他的本事很好很好	—He certainly has a wonderful abillty.
207.	你有沒有一本書	—Have you a book?
208.	我有兩本	—I have two books.
209.	這一位可以去	This man can go.
210.	他們兩位先生很好	—Those two teachers are very good.

Chinese Eastern Railway in Precarious Condition

BY SOLON S. C. YANG

Harbin, May 7, 1931.

ACCORDING to information from the Bureau of Economic Survey of the C. E. R., the total freight during the first three months of the current year amounted to 1,285,000 tons as against 1,748,000 tons in the corresponding period of 1930, a decrease of 26 5%. Present conditions indicate that there will be still further declines in the future.

In order to avoid the exorbitant freights on the C. E. R., the businessmen of North Manchuria are trying their best to have all their goods transported either by Chinese Railways, or carts, despite the frequency of robberies and great damage to goods resultant from the longer period of transit. The transport fee by such carts per ton of goods from Changchun to Harbin is as follows:—

	C. E. R. Yen	Carts Yen
Sugar	26.42	12.00-15.00
Old Newspapers	31.33	14.00-16.00
Linen Thread	27.13	14.00-16.00
Paraffin Wax	31.33	14.00-14.00
Iron Materials	18.20	11.00-14.00
Paper	36.42	12.00-15.00

Is C. E. R. Going Bankrupt?

The C.E.R. has taken every measure towards retrenchment. But its financial position is as precarious as ever. On the pretext that the question of staff salary has not yet been settled—as Mo Teh-hui, Director General of the C. E. R., only approved before his departure to Moscow a plan to deduct 10% from the salaries of those whose monthly pay above eighty roubles, while Mr. Rudyi insisted on deducting 10% from the salaries of those with monthly pay is above fifty roubles and 20% on monthly pay of salaries above one hundred roubles—the staff pay for March last is reported to have not yet been issued. Not only that, all other payments will also be deferred for the time being. On the other hand, it is stated in the *Ta Kung Pao* of April 20 that the Soviet has unilaterally drawn seven million roubles in cash from the railway's treasury.

Controversy Over Steamer Freight Becomes Tense

Reiterated petitions for reduction in freight rates having proved futile, the Chambers of Commerce along the Sungari and Amur river lines have recently joined together in an attempt to adopt the old method of non-transport as an effective measure against the North-eastern Steam Navigation Cartel. Due to the Cartel's flat refusal to consider any request for freight reduction, great anxiety is being felt on the part of the local chambers of commerce. Another joint petition has been submitted to the cartel by the chambers of commerce requesting favorable consideration of the above-mentioned petitions and explaining that Harbin business will be badly hit provided the Non-Transport Movement should come into realization.

The latest information about this controversy is to the effect that the majority of merchants have already gone so far as to demand the immediate dissolution of the cartel. The situation is thus becoming quite tense at present. But the cartel is of the opinion that as there are already 17,800 carloads of goods contracted for transportation by steamers there is sufficient business for the first season, and therefore is insisting on its point of view regardless of any protests that are made.

Rejuvenation of the Yu Ching Teh Factory

Owing to financial difficulties, the well-known Yu Ching Teh Woolen Factory of Harbin was closed for three months last year. Thanks to Hu Tieh-cheng, a member of C. E. C., who gave considerable encouragement during his visit, the factory is rising up again through the support of local banks. With a view to promoting national goods, the military officials and educational authorities have placed their orders for uniforms with the factory. The local stores also have shown their zealous support in the sale of Yu Ching Teh products.

The Yu Ching Teh Factory manufactures various carpets and woolen goods. It was established early in 1923 with a capital of Mex. $800,000, which was in 1924 increased to Mex. $1,000,000. In 1925, when reorganized into a limited company, it registered a trade mark "Lion" with the then Peking Government and through the sanction of the latter an exemption of all government taxes was granted for four years.

The factory is supervised by the Board of Directors. Sun Yen-tang, a native of Shaohing, is the Chairman of directors and concurrently acting as General Manager.

There are 88 pieces of modern machines now at work in the factory, and 95% of them are of German make. The approximate value of products amounted to $600,000 in 1923, $1,000,000 in 1924-1925, $1,700,000 in 1926 and $1,800,000 in 1929. The number of workers is as follows:

Year	Male	Female	Total
1923	100	50	150
1924	180	90	270
1925	240	110	350
1926-1930	280	140	420

Four technical experts receive G. $200 per month, 30 engineers Harbin $100, 160 weaving workers between Harbin $30 to $50, and 220 miscellaneous workers Harbin $10 to $30.

New Way of Foreign Competition Against Chinese Gasoline

The new method of refining gasoline from spirit by the Kwang Ki Wine Factory, Harbin, is now rapidly advancing since the decision of the National Government not only to exempt it from taxes but also to offer rewards.

According to a rough estimate, the daily consumption of gasoline in this locality amounts to 1,400 tins, of which about one-third is now being supplied by the Kwang Ki Factory. To protect this line of business, the foreign interests concerned are using every means possible in competition. In the course of a recent interview the chief secretary of the factory said that a certain gasoline interest (apparently a foreign one) has bought a majority of motor car mechanics by sacrificing the total amount of profit to be used as commission. For example, the cost price of gasoline is $5. per tin as against the market price $7., the difference of $2. being given to those mechanics or other middlemen who in turn follow their instructions to mix water with Kwang Ki's gasoline with the object of showing others that Kwang Ki gasoline is not useful. The factory has many difficulties in this respect. A petition for strict suppression of such competition has been submitted to the provincial government, says the secretary.

How High C.E.R. Rates Cripple Fish Industry

To the Editor, *The China Weekly Review*:—

One hundred thousand poods (36 English pounds) of fish being thrown to waste at Chalainor and on the lakes south of there and Manchuli will give one some idea of the Soviet's real interest in the welfare of the common people of China. Poor Chinese and Russian peasants in north Manchuria worked hard during last fall and in the severest winter of thirty years to get together these fish to send to market in Harbin and other points along the Chinese Eastern Railway, but this spring when they wanted to ship them to points where sale may be had the Red Soviets in control of the Railway refuse to allow the Chinese co-managers of the Railway to reduced the freight rates low enough for this great quantity of fish to be carried to market.

Here we have an estimated quantity of several million pounds of the best fresh-water fish obtainable anywhere now going to waste, if reports from reliable sources are to be believed, while people in Harbin are hungry, simply because the obstinate Russian Soviet management of the C. E. R. refuses to lower the freight rates which they have put up so high for capitalistic aggrandizement.

These same Soviet managers of the Railway nevertheless insist that the Railway carry freight at a loss from Harbin to and from the eastern border over a long route of mountain railway, this in order that the Russian port of Vladivostock may profit thereby, thus also giving the Ussuri (Russian) Railway free rolling stock of the Chinese Eastern for carrying freight back from Vladivostock to the Chinese border, but when it comes to giving a little consideration in the case of a lot of perishable goods for the sake of getting the fish to Harbin, it becomes a different matter for the Soviet representatives are working not for the Railway, nor for the best interests of the territory it traverses, but for financial gain and the capitalistic boosting of their eastern port.

In an emergency of this kind the Railway would have been justified in reducing the freight rates sufficient only to cover the expense of fuel in order to save these fish.

The only place where cold storage can be had is in Harbin, where the Chinese and Russian merchants had already prepared ice for receiving these fish, as they have received fish every spring. Those who now insist on lording it over the Chinese and managing the Railway to their own liking could have taken this opportunity to at least pretend to favor the needs of the people.

The fish are now a total loss. The warm weather has come and they cannot now be shipped. So they must be left to spoil. The freight on hay is also so great now that this cannot be shipped from other places along the railway to Chalainor and other stations where hay is needed for the cattle. As a result horses and cows have been eating the frozen fish at Chalainor and at the lakes south of there, as cattle learned to do in China a few years ago, we are told. Now that the fish have thawed out and are beginning to decay, the cattle will no longer eat them.

During the Sino-Soviet conflict, plague broke out among the cattle of north Manchuria on account of undernourishment. Thousands upon thousands of valuable stock perished as a result. The people have not yet recovered from this heavy loss. If freight rates continue to make impossible the transportation of hay another such epidemic may result before the late spring grass begins to grow in this northern climate.

Communists in China who would follow in the footsteps of those who now control the unfortunate people of Russia should be reminded of the lack of consideration of the Soviet representatives in Manchuria who now control in this way the affairs of the Chinese Eastern Railway on Chinese territory. Chinese newspapers should publish the above facts to their people in order that the people of this land may know whether the Soviet government is really their friend.

We do not believe that any other nation represented in China would have refused under the circumstances to make an exception of some kind to allow this great quantity of fine fish now spoiling to be shipped to Harbin and other places where the food is needed by the people, now in financial distress and made hungry many of them, because of the general business, depression and impossibility of sale of beans and other cereals.

The writer is a disinterested party, being neither Chinese nor Russian, but finds his nature rebelling against the unfair and discriminatory practice of a government which claims to be the friend of the people, a friend of China, and not out for money. Yet her representatives who are dominating the Railway are not only doing all they can to prevent renewed prosperity in north Manchuria among the Chinese, but are seeking to get all the money they can out of the C. E. R. and by discriminatory freight rates boost Vladivostock at the expense of the residents of Harbin and all north Manchuria.

Chinese who know these things should pass them on to those who may be inclined to accept Russian Red communism. Those attending the Moscow conference as China's representatives should stand firm for fairness, justice and right in the conduct and settlement of the Chinese Eastern Railway, the just and fair operation of which means so much to the welfare of north Manchuria and its people.

FAIRPLAY.

Aboard Chinese Eastern Train,
Manchuria, China, May 6, 1931.

Chinese Sentenced in Hongkong for Counterfeiting American Silver Dollars

A counterfeiting plant for making American silver dollars was recently discovered in Hongkong. In passing sentence on two Chinese involved in the affair, April 20, the acting Chief Justice stated to the prisoners that the making of American silver dollars and not Hongkong dollars made no difference in law to the offence under which they were brought to trial.

Li Chi, the first accused, admitted both counts. The other man, Wan San, elected to take his trial before a jury. The Court passed sentence of five years' hard labor on Li Chi in respect of each count to which he had pleaded guilty, the sentences to run concurrently. In dealing with Wan San, the Court said that prisoner had explained that he was employed by the first prisoner and had assisted him in cleaning the false coins. Bcause he was a servant, and because of his youth, (20 years of age) his Lordship said he would not impose a sentence of the severity meted out to first prisoner. After warning prisoner that it would be very serious for him if he were found engaged in the same trade again, the Court sentenced him to nine months' hard labor.

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The Iron Lion of Tsangchow

BY K. C. LEE

(In "Meifoo Shield" for March)

TSANGCHOW, in Hopei Province, is known to most Chinese travellers although the place is not at all essential for trade. In olden times the city was located 40 li away to the east of the present site. Thus, there are two cities distinctly named as Kiu Chow for the old and Tsangchow for the new. There is now nothing left in the old city, and all the houses have been completely ruined and the remaining inhabitants have built their dwelling houses in the east and north suburbs. It is said that Kiu Chow once was occupied by a great traitor who was defeated later and the city set on fire by victors who hated the citizens there as well. But one thing did remain—the iron "Lion." Tsangchow is famous because of the existence of this "Lion."

Most "Lions" used to denote rank in front of a yamen or temple are carved in stone, although there are a few exceptions like the "Lions" of Tai Miao at Taianfu in Shantung, which were cast in brass. It must be pointed out here that "Lions" are usually carved in a sitting position, but the "Lion" of Tsangchow is standing. The reason for its erection is also different.

About 2,000 years ago, back in the Chou dynasty, a certain criminal was obliged to pay a penalty which was to be the casting of an iron lion. This was granted and the famous "Lion" has been standing in the city of Kiu Chow ever since.

The "Lion" is about 20 feet high, and 17 feet in length. A basin was fixed on its back for no apparent purpose. It well represents a branch of ancient Chinese art. It is certainly huge of its kind, and it stands alone in a city which was abandoned years ago. Its claws are buried in the ground and its lower jaw has dropped off. It has lost its tail too. In order to support the body, people of later years have used bricks underneath as a prop. Travellers on the Tientsin-Pukow railroad expect to see the "Lion" through the windows of their train but are always disappointed. Its great attraction is its age.

Most old monuments in China, such as the Tsangchow "Lion", have attached to them superstitions which are current among old and young. Below is the particular one that belongs to the "Lion."

It is said that at first there were two "Lions," one iron and one brass, not far from each other. The brass one vanished one night, nobody knew whither, but the iron one remained. The peasants explained the occurrence thus:—

The illustration shows the iron Lion at Tsangchow. This Lion is carved in a standing posture, whereas most Chinese Lion carvings show the animal in a sitting position. The Chinese inscription appears on the monument.

The brass "Lion" in the course of thousands of years and while performing his duty of watching over the city, had assimilated a great quantity of the spirit which, as everybody knows, exists in sunshine. When the "old" Tsangchow city was abandoned the brass "Lion" received his well-earned reward by being relieved of his ordinary duties of city guardian. Thereupon he vanished. Whither, who knows? Possibly he may even have winged his way to heaven, but, if not, at least he may have gone to serve some deserving monarch elsewhere in this world.

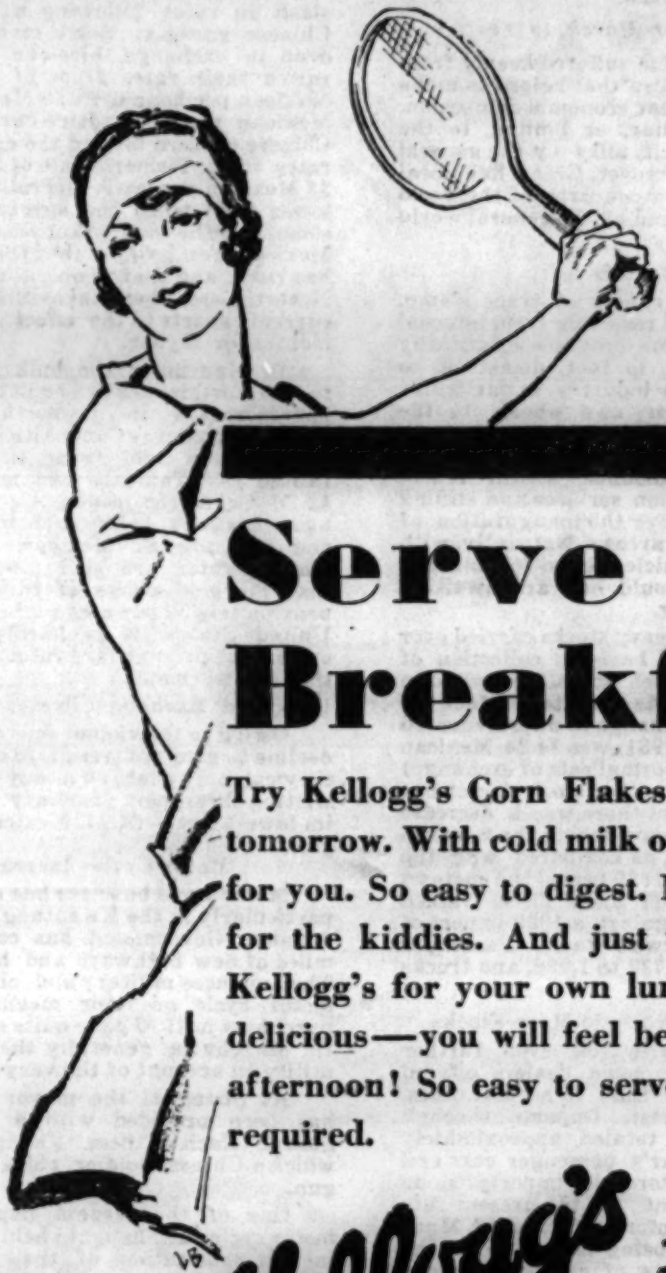
The iron "Lion" however, being cast in baser metal was not able to accumulate sufficient of the sunshine spirit to deserve the same treatment as his more fortunate brother, and he alas! had to remain where he was and be no particular benefit to humanity in general.

American Missionary in North Manchuria Discusses Drink Evil

Charles A. Leonard, a missionary connected with the Southern Baptists, residing in North Manchuria, in a recent communication to the *Review* states that an acquaintance of his has been stricken with paralysis, superinduced, according to the doctors, by excessive drinking of beer. Using this as a text Mr. Leonard says the propaganda to show that prohibition in the United States has been a failure is misguided. He quotes the opinion of David Starr Jordan, a noted American eduator, as follows: "Alcohol is always a habitual drug; the greater the injury to the nervous system, the more insistent the demand for it, and the weaker the will power in resistance. The chief argument used in favor of moderate use of alcohol is its value of conviviality. But, as President Eliot has observed, 'Abstinence from alcohol kills no joys of any account while it (alcohol) impairs the chances of continuous working powers.'" Mr. Leonard says that he has seen enough of the evils of drinking in his youth in America and in Manchuria at present to make him long for the time when alcoholic liquors will be outlawed throughout the whole world.

A Dispute as to a Railway Man's Pay

The question of whether the Chinese Government had been induced to pay "proper" compensation to F. W. Valpy, British Engineer-in-Chief of the Canton-Hankow Railway, upon his dismissal from his post, was raised once more in the House of Commons in London, May 4. Arthur Henderson, Foreign Secretary, said he was content to leave the matter in the hands of Sir Miles Lampson British Minister, to do his utmost for Mr. Valpy. Most of Mr. Valpy's salary has been paid. The dispute in question revolves around a matter of about $3.000.



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China's Automotive Trade Declined In 1930

BY A. VIOLA SMITH

(In "Commerce Reports" for March, 1931)

THE automobile industry in China suffered keenly from the many unfavorable factors that helped to make the year 1930 a period of great economic depression. Some of these factors were peculiar, or limited, to the automotive trade; others were felt alike by the general trade throughout the country. Moreover, China had local problems unlike those borne by other countries of the world where trade was severely hampered by the general world depression.

Local Retarding Factors

Foremost among these local causes of trade slump, probably, was the chaotic condition resulting from internal warfare, as a result of which economic progress is naturally retarded. The state of war was, in fact, disastrous to some members of the automobile industry in particular and was adversely felt by the industry as a whole. In the sections close to the scene of warfare, and in remoter parts where practicable, the military authorities commandeered all private and public automobiles within reach, paralyzing motor-bus transportation services and stifling any possibility of replacement sales or the inauguration of new services much needed in other areas. Naturally, with the likelihood of having their vehicles seized for military service, prospects who otherwise would buy are awaiting further developments before acting.

Other adverse factors were heavy stocks carried over from 1929, and the change to a gold basis in collection of import duties—a development which actually resulted in an increase in import duties paid. As a matter of fact the constant depreciation of silver exchange to unprecedented low levels (the rate on January 7, 1931, was $4.24 Mexican for each gold dollar, or double the normal rate of exchange) has retarded sales as perhaps no other single factor has done. It is not surprising, then, that there was a decrease of 45 per cent in the automotive trade during the 9-month period of 1930 ended September 30, as compared with the same period of 1929. During the 1930 period the customs figures show automotive imports of 3,556 pieces valued at 5,824,744 Haikwan taels, as against a 1929 import of 6,551 valued at 8,258,443 Haikwan taels. Passenger cars decreased in number from 3,732 to 1,928, and trucks and chassis from 2,819 to 1,628.

Manchurian Dealers Cut Drastically to Move Stocks

Automotive trade in Manchuria fell even further during the final quarter of 1930; some dealers offered cars at prices 33 per cent lower than in normal times, and sold on time without interest. Imports through Dairen for the first 10 months totaled approximately 30 per cent of the preceding year's passenger cars and 42 per cent of the trucks; motorcycle imports alone showed an increase of 20 per cent. At the present rate of imports and sales the total inventory of cars in Manchuria is decreasing, 7,000 cars being in service at the end of the year. The total imports of cars and trucks for 10 months have added only 8 per cent to the entire registration, which is far less than the number withdrawn from service.

Conditions in Tientsin, Shanghai, and South China

Dealers in Tientsin report little activity during 1930; reliable sources estimate total sales for the year at 250 trucks and 125 passenger cars. Stocks throughout the year were probably larger than those warranted by business. Both foreign and Chinese banks have been called on to extend drafts for dealers. Stocks at the end of 1930 remained fairly high, approximately 225 trucks and 75 cars being estimated as in Tientsin warehouses during December.

The advent of the autumn season, the showing of new 1931 models, and the general regaining of public confidence in the political situation, all tended somewhat to strengthen the Shanghai market during the final quarter of 1930, but the slight revival in sales was by no means sufficient to offset the previous lean months.

South China trade throughout the year was hampered by exchange and by the adverse conditions obtaining in the hinterland. Several new bus lines established in Canton late in the year were reported as not doing very well, the current operating expenses apparently exceeding revenues. Transportation by bus is well established in a few sections of South China, however, and needs only a period of stable operating conditions to insure its safe introduction and operation in many others.

Taxicab Rate War and Competition Make Replacement Sales Difficult

A hire-car service "rate war" began in December at Shanghai, when three large operators announced a slash in rates following a reduction of fares made by Chinese garages. Some months ago, owing to the severe drop in exchange, hire-car operators under agreement raised their rates from $1 Mexican for 20 minutes or $3 Mexican per hour to $1.50 Mexican for 20 minutes or $4 Mexican per hour. Hire-car officials were amazed when a Chinese concern toward the end of November reduced its rates to the former scale of $1 Mexican for 20 minutes or $3 Mexican per hour. Operators point out that exchange is lower than when the agreement to raise prices occurred some months ago; that gasoline is retailing at $1.10 Mexican per gallon; that the cost of tires and other items has risen, and that to operate at the old prices is ruinous. Nevertheless, they have embarkend on this rate war, with current reports to the effect that it may extend for six months or a year.

In Manchuria the bulk of passenger-car business is in the for-hire service or in taxicabs. Taxicab rates have not increased in proportion to the depreciation of local currency. Competition in the principal cities is very keen and, owing to hard times, fares have been falling off. Taxicabs can now be hired in Mukden for $2 Mexican (58 cents, U. S. currency) an hour for local business calls, and minimum tariff charges for one trip are $1 Mexican (28 cents, U. S. currency). Harbin rates are still lower. When it is considered that the gold prices of cars, tires, and gasoline are approximately 50 per cent higher in Manchuria than in the United States, it is hardly conceivable that taxicab owners, at present fare rates, can replace their cars after they are worn out.

Unsettled Exchange Prevents Price Lists in Shanghai

Owing to the violent fluctuations in exchange, dealers decline to give out retail prices. Until exchange settles they can only quote on a day-to-day basis. At the time of writing this report (January 7, 1931) exchange had hit its lowest level—$4.24 Mexican required to purchase $1 gold.

Motor Cycles Increase in Some Sections

Motor-cycle business has expanded in certain sections, particularly in the Kwantung Leased Territory where the Japanese Government has constructed approximately 80 miles of new highways and has improved many streets. The Japanese military and civil police have adopted the motor cycle as their means of conveyance and their purchases in 1930 gave quite an impetus to this business. In Manchuria generally the motor cycle is not of great utility on account of the very rough roads.

At Shanghai the mayor of the Greater Municipality has been provided with a motor-cycle fleet as a bodyguard. Each of these "Victoria" cycles has a side car in which a Chinese soldier rides with a small-size machine gun.

One of the largest importers and distributors of motor cycles at Shanghai held a big sale during December in commemoration of their thirty-third anniversary. Many reductions were announced on various models.

Dull Markets for Parts and Accessories

Manchurian trade in accessories has been extremely dull, as automotive owners have felt the hard times and have purchased only the very minimum. Luxury automotive accessories especially have found no market. One item that meets with considerable favor is the indicating arrow on the front of the car, which is illuminated at night and indicates the direction of travel. The use of this indicator was made compulsory in Mukden and Harbin and has become almost universal throughout these districts. Most of these electric indicators are imported from Germany. Indicators have also been made compulsory at Hankow, and permission to use them has been granted by the authorities at Shanghai.

Petty theft is one of the great annoyances to drivers without chauffeurs in Manchuria, horns, distributor tops, radiator caps, gasoline tank caps, tire caps, hood covers, and other detachable items being stolen from the cars that are parked without an attendant. Some of these items are resold later through the automotive dealers, but the greater percentage of them are not returned and have to be replaced by new parts. Private owners without chauffeurs have resorted to locking practically everything outside the car, including the cap on the gasoline tank and the hood. The radiator cap used is usually a very cheap metal substitute for the original.

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The accessories field in South China is becoming complicated as a result of the increasing number of small dealers entering the trade, who operate on greatly reduced overhead and apparently are content with a very small profit. The larger dealers therefore, particularly foreign importers and distributors, find it difficult to compete, and the market consequently is being cut up considerably.

Tariff Increase in 1931 Clouds Outlook for Year

The outlook for the new year has been darkened by the sudden promulgation on December 29 of a new national tariff, effective Januray 1, 1931, whereby import duties on motor cars and trucks have been increased along with many other items of China's trade. Motor trucks will henceforth be assessed at 15 per cent instead of 12½ per cent, and passenger cars, parts, and accessories have been increased from 22½ per cent to 30 pet cent. With exchahge ruling at $4.24 Mexican for $1 gold, dealers are decidedly pessimistic over the possiblity of passenger-car sales in the face of this new tariff increase. Incomes are suffering from abnormal exchange, and living costs in all lines are mounting higher and higher.

It is generally conceded that stocks on January 1, 1931, were much less than was the case a year ago. From this viewpoint, were it not for the sudden increase in tariff and unprecedented exchange levels, the year 1931 might be regarded as having a better outlook that had the year 1930 at its beginning.

If peace can be maintained throughout 1931 the effect of low silver exchange and higher import duties may be mitigated to a considerable extent, but even the most optimistic persons hesitate to venture an opinion on the possibilities of a peaceful China for any given length of time. So many factors enter into the trading situation in this country that it is impossible to judge the outlook for trade from one month to another, much less for a year hence.

Outlook in North China and South China

Reports from North China indicate that American manufacturers may not expect any new automotive business until present stocks are moved, though prospects for 1931 appear fairly promising. The policy of Mukden authorities, now in charge of the Tientsin area, appears to be one of progression. The road-building program inaugurated by the Shansi authorities prior to their evacuation has the attention of Mukden officials. A more reasonable attitude on tax questions also promises some relief to bus-line operators, many of whom have had to suspend operations during the past year because of excessive taxes and the commandeering of equipment that went on during the time of hostilities.

Shansi Province, which formerly boasted 800 motor vehicles, is now reported to have fewer than 200. The other 600, along with many of those confiscated or commandeered from other parts of North China, have been scattered all over the four or five provinces in which hostilities actually occurred. The replacement of these lost vehicles will offer a good market to Tientsin importers, provided the depreciated Shansi currency can be rehabilited and provided Manchurian officials now in control allow vehicles to be sent into Shansi.

In Manchuria the prospects for revival of the motorcar trade depends on the improvement of economic conditions generally. Under present conditions sales during the coming year will be very small, as Manchurian commodity prices have decreased, silver currency has depreciated, and the silver-currency revenues collected from taxis and busses are insufficient to replace cars that must be purchased in gold currency. At present cars are very expensive for the service to be performed in Manchuria. It is quite possible, however, that wages may adjust themselves to the present low value of silver, in which case higher charges can be made for auto transportation and permit the market to open up again.

The main increase in business that might be expected should occur in truck and bus transportation; but, since practically no highways have been constructed and as government officials place numerous obstacles in the way of bus companies endeavoring to obtain franchises, advance in this direction will be rather slow. Bus operators are compelled to construct and maintain their highways at their own expense, in addition to paying considerable sums for their franchise; furthermore, the military make use of the highways for cart traffic and ride free on the busses. These varios items add considerably to the cost of operating busses and, coupled up with uncertainty as to the future, render business not very attractive.

In South China the one bright spot on the 1931 horizon is the possibility that an extensive road-building program may get under way, which would in turn pave the way for light-truck sales.

British and Foreign Bible Society Holds Annual Meeting

The annual meeting of the British and Foreign Bible Society was held in Shanghai May 7, SirPeter Grain presiding. The Rev. G. W. Sheppard, the Society's Secretary for China, in opening the proceedings, said there were two or three aspects of conditions in China which made the country a particularly fertile field for the work of the Society, not the least of which was the improvement of literacy among the people as compared with only a decade ago. Despite the turmoil and upheavals in China the work of the Society, he said, had gone on as usual.

Sir Peter Grain, in introducing Bishop Mowll, said that the last time he had presided at the Society's meeting he in company with those present, had welcomed the advent of what appeared to be permanent peace in China. At present, unfortunately, more clouds had appearad on the horizon in the direction of Canton. Some people who should know thought that the disruption would soon pass, however. He sincerely hoped that would be the case and that the Government would be afforded ample opportunity of establishing good and honest administration to an atmosphere of peace and goodwill. The Bible had found its way into this country ever 116 years ago, since when 85,284,629 copies had been circulated. China had joined the Christian nations of the world in thus supporting the work of the Society. Only one country refused to countenance the circulation of the Bible—Russia, to which country no volumes had been sent since 1927. He was glad to see that donations had increased from $9,081.64 in 1929 to $12,113.95 in 1930.

Bishop Mowll, who has seen many years of service in West China, said that the circulation of the Bible in China was the largest foreign circulation of the Society. The Society's work as it applied particularly to Szechuan was of genuine interest to him. There, over 290,000 copies of the Scriptures had been distributed in 1929. Although that number might at first sight appear small it should be remembered that during the first 50 years work of the Society only twice as many had been distributed throughout the whole constituency.

The following offices were elected:—President, the Rt. Rev. John Curtis, D. D. (Bishop of Chekiang); vice-presidents: Sir Peter Grain, D. E. Hoste, the Very Rev. Dean Trivett; secretary, the Rev. G. W. Sheppard, the Society's Secretary for China; Consultative Committee:—Dr. Cheng Ching-yi, the Rev. K. T. Chung, Dr. C. L. Hsia, Dr. D. MacGillivray, Captain H. MacKinnon, F. W. Poate, Ellis Pugh, the Rev. V. G. Sutcliffe, Edward Wheen, S. J. Williams and Z. K. Zia.

Ladies' Committee:—Mrs. M. Hardman, Mrs. J. H. B. Mauchan, Mrs. J. L. Maxwell, Mrs. H. E. Mussen, Mrs. A. C. Newcomb, Mrs. F. Page, Mrs. F. W. Poate, Mrs. G. W. Sheppard, Miss E. Spurling and Mrs. H. S. Stevens.

Serious Allegations Against Former Shanghai Man

The *China Express and Telegraph* recently printed a paragraph to the effect that Alexander Lawson Hall, aged 58, who lived for some time in Shanghai, and was in charge of a Chinese Labor Corps during the war, has been committed for trial at Auckland, N. Z., on a charge of sending by letter threats of death at the hands of Chinese secret societies to the sister of Hall's dead wife, Mrs. Alma Grey, wife of Colonel Edward Grey, of Dover. Hall is alleged to have threatened to kill her two sons, both Army officers, unless the mother returned a number of things belonging to his dead wife. It was stated that Hall was an honorary member of Chinese tongs, and meant to invoke their aid to have his nephews killed secretly.

"Red" Mongols Active on Charhar Border

Messages from Charhar last week reported that "Red" Mongol troops from Outer Mongolia had appeared at Talikangya and Wu-te on the Charhar-Mongolian Border and engaged in an orgy of looting and pillaging. Travellers to the national frontier from Inner Mongolia are being captured by the "Reds" and held for ransom or are ruthlessly put to death when ransom money is not forthcoming. Communications between Kalgan (provincial capital of Charhar) and Urga have been interrupted.

In view of the critical situation, the chief of the Sih-Lin-Kuo-La League has summoned a meeting of the Mongolian princes, dukes and chieftains to devise measures for coping with the situation.

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Two American Women Missionaries in Szechuen Are Robbed

Misses Marian and Grace Manly, of the Methodist Episcopal Mission at Chengtu, were seized by a band of outlaws and robbed of their belongings on May 6, when on the way to the Szechuen capital on an inland waterway beyond Chungking, according to advices received in Shanghai during the week. These two women missionaries are daughters of Dr. and Mrs. W. E. Manly, of Ithaca, New York, and after a brief stay here after they arrived from the United States in March, procceded to Szechuen. Full details of the incident are lacking, but it appears that the bandits released the women after robbing hem of their medical supplies, surgical instruments and personal belongings.

Shanghai Municipal Council Tackles Problem of Publicity

A committee has been formed in connection with the announced intention of the Shanghai Municipal Council to go more fully into the question of giving publicity to Council matters. One of the members stated at the last meeting of the Council that he had submitted a memorandum to the the Secretary-General on the question of publicity pointing out that, in his view, the proposed terms of reference were too narrow and suggested that they be worded so as to enable the committee to devise means by which fuller information could be conveyed to the public on municipal matters. After discusssion it was decided to leave the drafting of these terms of reference to the Chairman and the Secretary-General.

Later the terms of reference were announced as follows: "To inquire into and report to the Council on ways and means which may be devised for supplying the public with fuller and better information upon Municipal matters."

The composition of the committee is announced as follows: A. D. Bell, Council representative; M. J. Cox, (news agencies), E. Haward (British press); Hollington Tong (American press); Y. P. Wang (Chinese press); Mr. Y. Watanabe (Japanese press).

Chinese Cotton Yarn Competition in Japan

According to an investigation prepared by the Cotton Mill-owners' Association of Japan, Japan's import of cotton yarn from China during the first three months of this year amounted to 22,732 bales as against only 311 bales during the same period last year. This spurt in Chinese business in Japan was possible owing to the prevailing low rate of silver. In the meantime prices in Japan have dropped and the imports from China have almost ceased, but a recent *Rengo* telegram from Tokyo records that the Japanese fear further entry of Chinese cotton goods in case silver drops again in future.

President Chiang Kai-shek Lauds Value of Athletics

Several hundred Central Party and Government officials at Nanking on May 10 attended the ceremony of the laying of the cornerstone of the Central Stadium which is being constructed for the purpose of holding the National Athletic Meet in October. Following the preliminary ceremonies which were presided over by Dr. C. T. Wang, Minister of Foreign Affairs, President Chiang Kai-shek delivered a brief speech expressing the hope that the youth of the country will continue to show interest in athletics, which will contribute much towards the development of a strong and healthy people.

China to Have Seat on League of Nations Council

According to a *United Press* telegram from Geneva May 1, China will in all probability be elected a semi-permanent member on the League of Nations Council at the coming September assembly. The election will come not only in recognition of the role which the new China will likely play in all Far Eastern developments but also in recognition of the fact that she has placed herself squarely with the League for help in re-organizing and modernizing her governmental and administrative services.

The League has already at the request of China undertaken the re-organization of her public health service, and still another League official, Sir Arthur Salter, will soon look over the possibilities of reorganizing China's finances.

In the Fields of Finance and Reconstruction

Hsiangshan Designated as Seat of New Port

Hsiangshan, a strategic point in the Lower Yangtsze, near Chinkiang has been designated as the seat of new port for Kiangsu which will be shortly opened. The Kiangsu Provincial Government has sanctioned the project and adequate funds will be appropriated for the purpose.

Sino-Japanese Art Exhibition Is Held at Tokyo

The Sino-Japanese art exhibitionsponsored by a group of Chinese and Japanese artists, was formally opened at the Arts Museum in Tokyo on April 28. Chinese paintings of the Tang, Sung, Yuan, Ming and Ching Dynasties were exehibited and highly appreciated and valued by the Japanese artists.

Navigation Bureau Formed at Harbin

The Harbin Navigation Bureau, which has been under formation during the past several months, was officially established on May 7 and Tseng Kwang-hsin, chief of the Navigation Affairs Department of the Northeastern Communications Committee, has been appointed director of the Bureau, who assumed office on the same day.

Heavy Decrease in Sino-Japan Trade for April

A *Rengo* message from Tokyo on May 5 stated that Japan's exports to China for the month of April registered a decrease of Yen 9.963,000 in exports and Yen 2.958,000 for imports, from the previous month's figures. The statistics were as follows: Exports, Yen 21,697,000; Imports, Yen 16,759,000; Total Yen 38,456,000.

Education Ministry Bans Use of Religious Text Books

Characterizing as absurd the contents of the text books for elementary schools published by a missionary book society in Shanghai (Bible Union Of China?), the Ministry of Education has issued a circular order to the various schools and educational institutions in the whole country, strictly prohibiting the use of the texts among the students.

Shensi Government to Mint Copper Coins

A *Shun Pao* telegram from Sian, Capital of Shensi, on May 3 stated that in order to releive the currency situation due to the lack of coins, the Shensi Provincial Government has decided to establish a mint in Sian to mint copper coins for circulation in the province. As soon as plans are perfected, the mint will be established and operations started immediately.

Peiping Bankers Make Loan to Shansi for Rehabilitation

A *Reuter's* dispatch from Peiping on May 1 stated that the loan agreement between the Shansi authorities and Chinese bankers in Peiping for military rehabilitation in the province has been signed between Gen. Shang Chen and the bankers' delegates. The sum of the loan is reported to be $1,000,000 with interest at the rate of 12 per cent per annum, to be redeemed in six months.

Reduction of Tax on Kansu Tobacco Asked by Merchants

The Kansu Tobacco Leaf Guild, in a petition to the Ministry of Finance, urges that the present rate of taxation on tobacco leaf in Kansu province be reduced so as to promote the development of native products. The petition points out that the tobacco leaf industry, on which a heavy tax has already been levied, should not be further burdened with miscellaneous exorbitant levies.

Chinese Rail Men Inspect Osaka Factories

A *Rengo* dispatch from Osaka dated May 6 stated that a party of the Chinese Railway Mission consisting of 19 members had arrived there from Nara and inspected the Sumitomo Iron Works and Amagasaki Glass Works Factory. The party stayed there till May 11 and visited various factories, including the Railway Manufacturing Co. and the Sumitomo Electric Railway Works.

Freight Rate for Cocoons Reduced by 50 Per Cent

As a measure of relieving the depression in the silk trade, the Ministry of Railways, in an order to the Shanghai-Nanking Railway Administration, has instructed that freight rates on cocoons transported on the Line between Shanghai and Changchow be reduced by 50 per cent from May 1. Changchow, located on the Shanghai-Nanking Line, and its surrounding districts are important silk producing centers.

Nanking Bans Sale of Narcotic Medicines

The Ministry of Interior, in a ministerial order to the various Provincial Governments throughout the country, puts a ban upon the sale of hypnotic and narcotic medicines, the action being taken for the purpose of checking the suicide wave which has recently grown into alarming proportions, as many disgruntled persons have chosen to end their lives by taking overdoses of these medicines.

Nanking Designates Land for Commercial and Industrial Area

According to at *Kuo Min* telegram from Nanking on May 7, the Metropolitan Reconstruction Commission has approved the plans to be carried out in connection with the new Industrial and Commercial District, recently formulated by the Nanking Municipal Government. Over 1,000 mow (160 acres) of land located south of the Chungshan Highway along the River front near Hsiakwan have been designated for the area.

Bureau of Social Affairs Prohibits Cornering and Exportation of Rice

According to a report in the *Shanghai Times* on May 5, the wholesale price of Chinese rice has advanced an average of 20 cents per picul on the local market. In consequence of this increase, the Bureau of Social Affairs of the Shanghai Municipality issued an order to the Rice Dealers' Association, strictly prohibiting the cornering and exportation of rice from Shanghai, in order that further advance in the price of this staple food may be halted.

C.N.A.C. Orders New Planes for Extended Service

The China National Aviation Corporation is understood to have ordered four new Loening Amphibians for use in connection with the proposed extension of the Shanghai-Ichang Air Mail service to Chungking, chief port of Szechuen province. As soon as these new planes arrive from America and are ready for service, mail destined for Chungking will be accepted by the Company in Shanghai and its branch stations along the Line for transmission.

Cheap Freight Rates on Chinese Railways Attract Newchwang Trade

According to official Japanese figures, the trade of Newchwang during 1930 amounted to about 700,190 kilo-tons. As compared with the 720,400 kilo-tons of the previous year, the decrease was 18,500 kilo-tons or about 2.6 per cent. The import for the year was 192,724 kilo-tons and export was 509,181 kilo-tons The decrease is largely due to the preferential freight rates of the Chinese Government Railways in Manchuria, according to reports from Newchwang.

Chairman of British Commission Confident Over Recovery of British Far East Trade

A *United Press* message from Manchester dated May 5 reported that Sir Ernest Thompson, Chairman of the British Economic Commission to the Far East, who recently returned to England after a long visit in Japan and China. in an address in Manchester, expressed his confidence that Lancashire will soon be able to recover a good part of her lost trade with the Far East. He said that he was convinced that Japan would not be able to maintain the pace she has been holding for the past past two or three years. Stimulated by this encouraging address, the Lancashire cotton goods manufacturers are said to be devoting a great deal of attention to efforts to improve economic conditions there by recapturing the Far Eastern markets for their products.

New Weights and Measures to be Enforced on June 1

In connection with the enforcement of the new standard of weights and measurements, a *Shanghai Times* report on May 5 stated that the Bureau of Social Affairs and Public Safety of Shanghai Special Municipality in a joint order had given instructions that all merchants in Shanghai must abide by the new standards and that the old system would be abolished on June 1. Disregard of the order will render the offender liable to criminal prosecution according to law.

Overseas-Chinese Interested in Northeastern Development

According to a *Shun Pao* dispatch from Mukden on May 6, a group of overseas Chinese merchants from Mexico who came to China last year to study prospects of industrial development in the country has just completed an investigation of the agricultural and mining products in the Three Eastern provinces. They said that they will shortly return to Mexico to raise funds among the merchants there to carry on reclamation works in Manchuria which, they added, is capable of enormous economic development.

Merchants and Fishermen Protest Against Japanese Fishing

Vigorously protesting against the violation of the integrity of Chinese territorial waters and infringement of national right, the Shanghai Chinese General Chamber of Commerce and the Chinese Fishery Dealers' Guild, in a joint petition to the Ministry of Foreign Affairs, request that immediate steps be taken by the Ministry with the Japanese Authorities to prohibit further operations of Japanese fishing boats in Chinese waters. It is understood that the Ministry is considering the petition and may take appropriate measures in regard to the matter.

Service on Canton-Kowloon Railway Resumed

A *Kuo Min* dispatch from Canton dated May 4 reported that the Canton-Kowloon Railway resumed its through service on May 3 after a suspension of over two weeks. The dispatch added that the suspension of the service was occasioned by the terrible accident last month, when owing to a landslide on the British section of the Line, a part of the passenger train was derailed and plunged into a ravine, thereby causing heavy casualties among the passengers. The necessary repairs to the Line have been completed and normal traffic has been fully restored.

Workers Petition for Redemption of Kao-Tsi Railway

The Railway Employees Union, in a telegram to the National People's Convention, has submitted a petition that the Kaochow-Tsinan Railway be redeemed by the National Government in order to preserve national rights. The Railway has been bought back by the Chinese Government, but the redemption funds have not yet been fully paid up, so the Japanese are still exercising a dominant control over the affairs of the Railway. The workers of the Railway are urging that the remaining portions of the redemption funds be immediately cleared up in order to remove the last vestiges of Japanese influence on the Line.

Chinese Insurance Firms form Combine Against Alien Monopoly

Nine Chinese insurance companies in Shanghai have pooled their interests for the purpose of winning Chinese insurance business to native operation, recently organizing a strong combine in the attempt to combat the inroads of foreign monopoly, according to a report in the *China Press* on May 7. The insurance firms concerned include the China United, Tung Yih, Hwa Shing, Ning Shao, Central, Shao Tai, An Ping, Ta Hwa and Feng Shen. Chu Shu-yi of the Tung Yih Insurance Company has been elected chief secretary of the new combine. The nine maritime and fire insurance companies have successfully negotiated transactions involving huge sums of money, during the past week, one of which was for the Chinese Telephone Company of Sanghai and another for the Commercial Press. More than $1,000,000 were involved in the two transactions.

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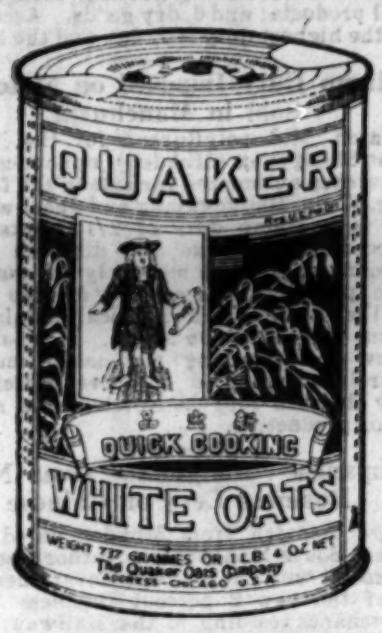

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New Export Tax Tariff Promulgated

The new regulations governing the Export Tax, which exempt from payment of export duties, Chinese silks, tea, satin goods, lace, embroideries, preserved fruits and books, were promulgated by the National Government Council on May 7 and became effective the same day. The regulations consist of 270 articles which divide the merchandise under six classifications, i.e., 1. live stock and aquatic products; 2. vegetable products, fruits, etc.; 3. fuel articles such as bamboo, reeds, lumber, paper, etc.; 4. cotton and cotton products, including weaving articles, 5. minerals and mineral products; and 6, dry goods. According to the new tariff, the highest duty is 7. 5% and the lowest 5%.

Stamp Duty Imposed on Matches Sold in Manchuria

The Match MonopolyBureau for the North-eastern Provinces at Shengyang (Mukden) announced on May 8 that all matches authorized for sale in the four provinces of Liaoning, Kirin, Heilungkiang and Jehol will henceforth be subject to a stamp duty of 2/10 cents per hundred splints, according to a *Kuo Min* dispatch from Mukden under the same date. The monopoly on matches in the Manchurian provinces was recently created pursuant to a decision of the Northeastern Political Affairs Committee and was put into effect on May 1. It is being instituted with a view to protecting the native match industry against foreign imported matches which are being deliberately dumped into the North-east at ruinous prices below cost of production.

Japanese "Indignant" Over New Business Levy on Chinese

A *Rengo* dispatch from Mukden dated May 8 stated that Japanese South Manchurian Authorities have lodged a severe protest with the Mukden Government against the collection of the new 2 percent Business Tax from the Chinese merchants residing in the Railway Zone, which, they claim, constitutes an infringement of their administrative rights in the area. The dispatch further stated that the Japanese have warned the Chinese Authorities to this effect, while the Chinese merchants concerned have also started an Anti-Taxation Movement against the new levy. At a meeting held in Mukden on May 8, the chairmen of various business organizations representing 58 prefectures of Liaoning province, have submitted a joint petition to Gen. Tsang Shih-yi, Chairman of Liaoning Provincial Government, after approving an anti-taxation decision. In response to the merchants' plea, the Mukden authorities, according to the dispatch, are said to have promised them that some suitable measures would be devised to cope with the situation after an experimental collection of business tax for two or three months. It may be added that the 2 per cent business tax was recently instituted by the National Government for the purpose of making up the deficit in the national revenue caused by the abolition of Likin and came into effect on May 1.

Japanese Embarks Upon Ambitious Schemes for Exploitation of Mongolia

According to Harbin correspondence dated April 29, which appeared in the *North China Daily News* on May 8, the Japanese capitalists are at present interesting themselves considerably in Inner Mongolia and will shortly embark upon ambitious schemes to carry on peasant farming in this vast land of unlimited potentialities, Baron Okura, the well-known Japanese financier, recently paid a personal visit to this district, as a result of which he proposes to organize cattle breeding and dairy farming on a grand scale in the place and has already secured about 4,000,000 deciatins (land measurement) in Bayintalu district, near the Taonanfu Railway. He plans first to breed sheep, cows and horses in a scientific manner. With the increase of cows, dairy farming will be established and special brands of butter and cheese exported to Japan and other countries. The project has found great favor with other Japanese capitalists who are now looking for suitable land for the same purpose, while small peasant farming by Japanese has alreay actually commenced. Hitherto, there have been very few Japanese concerns in Mongolia and this new phase in Japanese financing has attracted the attention of both Chinese and Soviet circles. Possible complications with both China and Russia in connection with these enterprises are expected, as the Chinese may resent this new form of economic penetration into Chinese territory and the Soviet Russians will certainly find it undesirable to have Japanese neighbors so close to the Outer Mongolian Border.

S.M.C. Invites U.S. Waterworks Expert to Reform Local Company

The Shanghai Municipal Council, in an attempt to reform the Shanghai Waterworks Company, dispatched a telegram on May 8 to Nicholas S. Hill, head of a concern of consulting engineers in New York, inviting him to Shanghai to conduct and investigate the local waterworks and recommend necessary reforms. If Mr. Hill accepts the proposal which will entail a cost of more than $50,000, including his fees and all expenses, he will be requested to come to Shanghai immediately. The decision to seek the services of a recognised authority in the matter was made following the protests on the part of the Chinese ratepayers against the increase of 25 percent in water rates, which became effective last year. If Mr. Hill does come at all, he will be charged with the duty of examining the books of the local waterworks company and determine whether or not the business of the concern is being conducted economically.

Liaoning Authorities Plan Establishment of Iron Foundry

A special dispatch from Mukden on May 7 stated that the Northeastern Communications Committee has submitted a petition to the National Government, asking permission for the establishment of a large scale iron foundry in Liaoning in order to carry on manufacture of construction materials for the various government railways in the Three Eastern Provinces. The petition points out that at present the materials and supplies for the railways in the Northeastern provinces are all purchased from abroad, involving a total cost of nearly 200,000 gold dollars annually and this large overflow of national wealth can be checked and turned to profitable use. if a state iron foundry can be established in Liaoning to manufacture the necessary materials for these railways. The petition adds that a definite plan for the immediate organization of the projected foundry is being formulated and the initial expenses will be appropriated from the receipts of the Kirin-Changchun, Kirin-Tunghwa and other Railways in Kirin.

British Advisor to Siam Visits Japan on Industrial Mission

A *Rengo* dispatch from Tokyo on May 7 stated that C. R. Grandwater, British Advisor to the Siamese Government, is now on a visit to Tokyo credited with a mission of inspecting the industrial conditions of the country. The chief object of his present visit is said to be in connection with the forthcoming international auction of rails to be held by the Siamese Government in order to renew the tracks of the main railway line linking Penang and Bangkok, which amount to some 4 million tons. The Japanese industrialists are said to be confident of gaining the contract for the Siamese Railways. Mr. Grandwater came to Japan on March 23 and since his arrival he has inspected the Fujikura Wire, Sumitomo Copper, Ishikawajima Shipbuilding Works and the industrial establishments of the Railway Office. He will also make an inspection of the Japan Vehicle Company at Nagoya, Yokohama Iron Foundry, Sumitomo Steamship Factory and other works in Kansai district.

Merchants Petition for Exemption from Duties on Native Exports

Wang Yen-sung, member of the Executive Committee of the Shanghai General Chamber of Commerce who is now attending the National People's Convention, representing the Shanghai merchants, has submitted a petition to the Legislative Yuan, urging the exemption from export duties of Chinese silk and silk piece goods, tea and laces, the insertion of an express provision in the proposed Business Tax Law for the reduction in rates of certain trades from the Tax and the early formulation of a Native Banking Law. Referring to the export trade, the petition requests that the Government should do its utmost to foster its development and as silk and silk piece goods, tea and lace are the principal exports for which foreign markets should be developed, they ought to be exempted from export duty. With regard to the Native Banking Law, the petition points out that since, under the prevailing circumstances, the Native Banks are of much more importance to the Chinese business world than the so-called "modern" banks, a Native Banking Law better adapted to current financial needs should be enacted. In conclusion, the petition submits seven recommendations regarding the enforcement of the new Business Tax Law for the consideration and adoption of the Legislative Yuan.

Revenue for 1931 of Greater Shanghai Estimated at $7,000,000

The fiscal year of 1931 of the Greater Shanghai Municipal Government is expected to yield a total revenue of seven and half millions, dollars for municipal expenditure, according to the annual estimate announed by J. K. Choy, Commissioner of Finance, released through the *Kuo Min* News Agency on May 5. The main sources of the revenue, according to the estimates, are land tax, general municipal rates, business tax and public enterprise receipts. The largest sum are expected to yielded by general municipal rates which is estimated at $2,200,000, the next largest, from the licence fees, which are fixed at $1,578,350, while the business tax on races at the Kwangwan Race Course is expected to produce a revenue of $650,000. Licence fees on land communications is also counted as a principal source of the Municipal income which is figured at $1,055,770. Other items in the estimates include wharves and moorage dues, school fees, advertisement tax, registration levies, penalty and fines, miscellaneous levies, etc.

Fire at Yokohama Destroys Chinese Consulate

The Chinese Consulate at Yokohama was destroyed by fire on the morning of May 7. The fire originated in the vicinity of the Consulate, and destroyed 50 houses completely and eight partially. The total loss is estimated at 200,000 yen.

Harbin Paper Suppressed for Exaggerating Anti-Chiang Movement in Canton

A *Rengo* telegram from Harbin May 7, stated that the *Tung Sansheng Shangpao*, a commercial daily newspaper in that city, was ordered closed on the May 2 by the Peace Preservation Bureau, on the ground that the journal had carried a report regarding the establishment of the anti-Chiang Kai-shek Government in Canton. The editor-in-chief of the paper was taken into custody.

Charge of Unfairness Made Against "Reuters" News Service

The China Press, an English language daily newspaper in Shanghai owned by Chinese, in its issue of May 8 printed an editorial protesting against discrimination shown by the British *Reuter* news service in favor of the British official organ, the *North China Daily News*. *The China Press* pointed out that such an important matter, as the fact that the Chinese delgation at the Congress of International Chambers of Commerce at Washington had presented an important memorandum, was not mentioned in the regular service but was supplied in the special service to the *N. C. D. News*. The same thing happened with regard to the Soviet attitude at the Rome wheat conference. Chinese newspapers subscribing to the *Reuter* service have made similar complaint. *The China Press* sarcastically refers to *Reuter's* association with financial, commercial and broadcasting services, which compete with those to whom it sells its telegraphic news service.

Y.M.C.A.'s of China to Hold Summer School at Kuling

Preparations are being made by the National Committee of the Y. M. C. A's of China for the tenth summer school for "Y" secretaries, to be held in Kuling July 15-August 12. The purpose of the school will be four-fold: to strengthen and deepen the spiritual life of those who attend; to help them to secure a clearer understanding of the meaning of the "Y" secretaryship and of the place and tasks of the Y. M. C. A. in China today; to add to their knowledge and efficiency in Association principles and technique; and to promote a closer fellowship among them.

S. C. Leung, Associate General Secretary of the National Committee, who is now in charge of the preparations, will be the principal of this school. Among the faculty members will be: Dr. Charles Wu, of Great China University; Prof. N. Z. Zia, of Lingnan University; Prof. Z. S. Zia of Soochow University; Dr. Lenning Sweet of the Peiping Y. M. C. A.; Dr. R. M. Hogan, of the Tsinan Y. M. C. A.; Quentin Pan, Philip W. Cheng, Daniel C. Fu, H. S. Liang and O. R. Magill of the National Committee.

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Men and Events

Mr. Shigemitsu, acting Japanese Minister, returned to Shanghai from Nanking, May 9.

Chang Kia-ngau, governor of the Bank of China, in Shanghai, was in Tsingtao last week on business.

The Chinese law from Yeh & Co. has removed its offices to the Shanghai Land Building, 40 Ningpo road.

The death occurred in Shanghai May 11 of Mrs. Mathilde Bordas de Vaqquez Ferrer, wife of the Spanish Consul General.

Dr. H. G. Voss, secretary to the German Legation, Peiping, returned to Shanghai May 9 by steamer after a visit to Nanking.

Dr J. E. Hultman, Swedish Minister to China and Japan, arrived in Shanghai from Japan last week, and later proceeded to Nanking.

Hiung Chuan-chih, former Consul General in New York, took up the duties of his new post as Chinese Minister to Mexico on May 2.

An international exhibition of architecture and housing was opened in Berlin, May 9. China was among the 22 countries represented.

C. V. Starr, president of the American Asiatic Underwiters, departed from Shanghai May 10 on a business trip to Saigon, French Indo-China.

Henry Sotheran, Ltd., booksellers, 43, Piccadilly, London, have issued a new catalogue of fine and rare books, bindings and old engravings.

The death occurred at Chicago May 10 at the age of 47 of Walter Ansel Strong, publisher of the *Chicago Daily News*. Death was caused by a sudden heart attack.

Another heavy rainfall occurred in eastern Shensi last week, and as a result great hopes are entertained of reaping a huge wheat crop in said province this year.

Robert Bailey, managing director of the British-American Tobacco Co., and president of the Shanghai Golf Club, departed for England on holiday last week.

Lieut. H. G. Eberhart of the U. S. S. *Black Hawk* won the "B" Champion sweep, value Mex. $203,392, drawn at the races run by the Shanghai Race Club last week.

Madame Chang Hsueh-liang, wife of the Marshal, arrived at Nanking from North China end of last week. She was entertained at dinner by Mrs. Chiang Kai-shek.

Mrs. Berthe Bare was hostess to the members of the Daughters of the American Revolution, at their annual meeting held at the American School, Shanghai, May 13.

Dr. Wellington Koo proceeded to Nanking last week and conferred with Marshal Chang Hueh-liang, President Chiang Kai-shek and other leaders. He later returned to Shanghai.

Japanese rayon is reported to be on the verge of securing a monopoly of the Indian market, with Italian and British rayon decreasing markedly, according to a *Rengo* dispatch from Tokyo.

Four hundred ounces of morphine, together with a pound of cocaine and 480 ounces of opium, total value about $30,000, was seized during a raid by the Police at 69 Canton Road, Shanghai, May 10.

A telegram from White Plains, N. Y., May 10, stated that the object for which the King of Siam has gone to the United States has been fulfilled by a successful operation for the removal of cataract from his eye.

Justice Feetham has written to the Chairman of the Shanghai Municipal Council that there will be a delay in the publication of the second part of his report. He promises the report to be ready early in June.

Dr. J. R. Cash, of the Peking Union Medical College, and Mrs. Cash, are scheduled to leave Peiping next week for the United States via Siberia. Dr. Cash will take up an appointment in the University of Virginia.

Dr. W. W. Peter, advisor to China on health matters, will address the tiffin meeting of the Pan-Pacific Association, at the old Carlton Cafe, Shanghai, Monday, May 18, on the subject of "Cholera Control in Shanghai."

Chen Chung-chen, director of the China branch of the International Labor Bureau of the League of Nations, will shortly leave via Siberia for Geneva to attend the forthcoming International Labor Conference.

The U. S. transport *Henderson* due here June 1, has on board 39 marines to join the Fourth Regiment, U. S. Marines, stationed in Shanghai. Among them are 12 sergeants, 13 corporals, three first-class privates, and 20 privates.

T. Tanaka, formerly Jananese Ambassador to Russia, arrived in Shanghai from Japan May 10 in connection with a month's tour of inspection of general conditions in China. He will later visit Tsingtao, Nanking, Tientsin and Peiping.

The Nankai University (Tientsin) Committee on Social and Economic Research has recently been amalgamated with the Economics Department of the College of Arts of the University, under the new name Institute of Economics.

Kuo Wei-fong has taken up his appointment as general manager of the China Merchants S. N. Co. in succession to Li Chung-kung, who is proceeding to Anhui to become a member of the Provincial Government and Commissioner of Education.

Rev. C. L. Boynton, business secretary of the National Christian Council, is proceeding to Los Angeles where he will spend a holiday. He started missionary work in China twenty-five years ago. Mrs. Boynton will accompany him.

The Panchen Lama visited the Sun Yat-son Mausoleum at Nanking May 7 and laid a wreath on the tomb of the late Party Leader. Returning to the city in the afternoon, the "Living Buddha" called on Tai Chi-tao, President of the Examination Yuan.

A verdict of culpable homicide amounting to murder was returned at a Coroner's inquest in Singapore recently against two Chinese involved in a secret society feud which was fought out between rival gangs in Carpenter street in that city on the night of March 2.

The Dollar liner *President Cleveland* and the British liner *Taiping* ran aground outside Hongkong in a dense fog on the morning of May 11. The ships touched bottom lightly, but nevertheless considerable damage was done. The *Cleveland* was so badly damaged that its present voyage homeward had to be postponed.

The following item appeared in *Time Magazine* on April 13: "Divorced—Roy Chapman Andrews, curator-in-chief of Asiatic explorations and research at Manhattan's Museum of Natural History; by Mrs. Yvette Borup Andrews; in Paris. Grounds: desertion."

Tsuyee Pei, general manager of the Bank of China in Shanghai, who attended the Convention of the International Chambers of Commerce in Washington, has been appointed the delegate of the Chinese employers at the International Labor Conference in Geneva.

Dr. Wang Chung-hui is scheduled to depart for Europe about the middle of next month to resume his position on the Bench of the Permanent Court of International Justice at The Hague. Chang Chi, Vice-President of the Judicial Yuan, will act in during Dr. Wang's absence.

Dr. H. Windsor Wade, chief pathologist at the Culion Leper Colony in the Philippine Islands and the field secretary of the Leonard Wood Memorial for the Eradication of Leprosy, who is conducting a survey in China, arrived in Shanghai May 11 after a visit to Peiping and Nanking.

Mo Teh-hui, plenipotentiary delegate to the Sino-Soviet conference at Moscow, has contributed $1,000 Harbin currency towards the relief of famine victims in Honan province. The famine relief authorities in Honan are sending the famine refugees to the Three Eastern provinces.

The press representatives at Nanking announced that they would entertain at dinner the various delegates to the National People's Congress on Friday, May 15. Pang Kung-pih, editor-in-chief of the *China Times*, was elected by the newspaper correspondents to be the toastmaster for the occasion.

Edward Miles, of Memphis, Tennessee, arrived in his Yacht, *Sturdy II*, at Hongkong March 10, from Manila after covering 14,600 miles visiting Arabia, Turkey and India. He told the *Review's* correspondent that he is attempting to go around the world in an easterly direction single-handed.

Bishop Samuel Ross Hay of the Methodist Episcopal Church, South, was elected to the Presidency of the College of Bishops at Nashville, Tenn., May 2. Bishop Hay was elected, instead of the installation of Bishop James Cannon, Jr., of Virginia, whose political and stock market activities during the past year had brought him considerable notoriety.

C. P. Ling, president of the Commercial Advertising Agency, and Mrs. Ling, were hosts on Thursday evening, May 7, at a dinner for Mr. and Mrs. J. V. Crowe of the Ford Motor Car Company, who are departing for home on leave. Some thirty guests were present, the dinner being held at the home of Mr. and Mrs. C. W. A. Sing at 25 East Yuhang Road.

A. Bland Calder, Assistant Commercial Attache, departed from Shanghai May 11 on a business trip through north China.

Sir Miles Lampson, the British Minister, arrived in Shanghai May 13. He is stopping with the British Cousul-General and Mrs. Brenan.

K. C. Fairchild, of the firm of Libby, McNell & Libby, passed through Shanghai during the week *en route* to Hongkong and Manila from the United States.

Miles Vaughn, Far Eastern representative of the *United Press*, stationed in Tokyo, was due to arrive in Shanghai May 14, accompanied by Mrs. Vaughn.

F. J. Raven, president of the California University Club in Shanghai, will give a garden party at his Country Lodge, 555 Hungjao Road, Saturday, May 16, from 5 to 7 p m.

An annual dinner was announced to be held on the evening of May 15 in the gymnasium of the Chinese Y. M. C. A. in Shanghai, thus bringing to a close the campaign for finances and membership.

A telegram from San Rafael, California, May 9, stated that grave fears were felt for Captan Robert Dollar who was seriously ill, he having had a relapse from his illness of several months previous. Captain Dollar is 87 years of age.

A. B. Lowson, manager of the Hongkong & Shanghai Banking Corporation in Shanghai, departed during the week, with Mrs. Lowson, for England. Mr. Lowson is retiring from active banking operations, owing to ill-health. He first joined this British banking organization in London in 1894.

L. T. Yuan, general manager of the Ningpo-Shaoshing S. N. Co., and a member of the Shanghai Municipal Council, has been elected by the Greater Shanghai Chinese General Chamber of Commerce to succeed S. U. Zau, (recently appointed Vice-Minister of Industry) as advisor to the Whangpoo Conservancy Board.

Judge Yeh Yeh-hsiung, of Harbin, was sentenced at Mukden May 7 to imprisonment for life and the loss of all rights as a citizen, after having been convicted on a charge of murder. The case aroused considerable interest owing to the high position of the accused, who was specially brought to Mukden from Harbin for trial. His intended victim was a woman.

The Shanghai Exploration & Development Co.. Ltd. held its annual meeting May 9. W. R. McBain, presiding said the year's working showed a profit of Tls. 31,227 which, deducted from the previous debit balance, made the balance at debit of profit and loss account Tls. 592,535,25. Output for the year was 160,000 tons as against 21,000 tons in the previous year.

Charles F. Hauss, who formerly represented the American Radiator Company in the Far East, but for the past two years has been stationed in Belgium, has written friends in Shanghai that he has retired from active business and in future will reside in Milan where his children and grandchildren reside. His present address is 116 Avenue Moliere, Brussels.

Sunday, May 10, was the anniversary of the acceptance by Yuan Hsi-kai of the Twenty-One Japanese Demands in 1915. The day is observed as one of China's numerous humiliation days. Memorial meeting were held during the day as in previous years, by various schools and colleges, as well as public organizations. The Shanghai District Kuomintang also held a meeting.

The type-setters, typemakers and printers employed by the *Shun Pao*, one of the leading Chinese daily newspapers in Shanghai, held a meeting recently at which they resolved that the management be requested to issue a flat wage increase of $10 to each worker and that the rice allowance of $4 per month be discontinued. The workers also decided to ask for a house allowance of $5 per employee.

Dr. C. Kuangson Young, who recently assumed the post of Chinese Consul General in London, gave an address at a luncheon given by the London Missionary Society, April 17 on the subject of "Reconstructing China." He reviewed the achievements of the National Government through the last four years and also gave a summary of the program which the government proposes to execute. Dr. Young has taken over his duties as Consul General in newly opened quarters, 6 Strathmore Gardens, Kensington, London, W. 8. Previously the Chinese Consulate General in London was located in the Legation.

(*Continued on page 401*)

The CHINESE NATION

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New Books of Interest in the Far East

The Old China Trade

The Old China Trade: Foster Rhea Dulles; Houghton Mifflin Company, Boston; 220 pages.

The years between 1783 and 1844 were full of adventure, hardship, and danger for those who took part in the trade between America and China. But there were great riches for those who were successful and the citizens of the young Republic began early to show the vigor and business acumen which a century and a half later was to make their nation the leading commercial and industrial country in the world.

Foster Rhea Dulles in his book tells a fascinating story of America's early commerce with Cathay. It is a book which all who live in China at the present should find not only entertaining but instructive. It is a story of the old days of "wooden ships and iron men" when 19 year old boys just beginning to use a razor commanded ships of less than 100 tons in voyages around the world and through uncharted seas. There is much bloodshed and a fair amount of deceit, exhibited by both the foreigners and the Chinese, but there are also stories of great friendship such as that between the Chinese merchant Houqua, reputed to be worth G$26,000,000, and the American trader John P. Cushing.

The first part of the book with its tales of old Canton, the early ships and cargoes, the fur trade of the Northwest coast of America and Canton, and the trade in seal skins, is perhaps the most interesting. The latter part tells of the trade after the end of the Eighteenth Century and the events leading up to the Opium War and the Treaty of Whanghia and while it carries the reader along with scarcely a dull moment, still it is treating of more generally known facts and in certain spots tells only what others have told before, though in a different manner.

After the war of Independence America found herself with many idle ships and it was partly in an effort to find work for these that that the China trade grew. Only one year after the Treaty of Peace was signed the first voyage, financed by Robert Morris, set out. It was the 360 ton *Empress of China* which sailed from New York February 22, 1784, Washington's 52nd birthday. It was not until August 28 that the ship anchored at Whampao, below Canton.

It is extremely interesting to compare the cargo of this early American trader with what the ships carry between America and China today. Mr. Dulles states:

> The bulk of the cargo was made up of ginseng. It carried about 30 tons of the drug. Other articles assembled by Robert Morris, included 2600 fur skins 1270 camlets, 316 piculs of cotton, 476 piculs of lead, and 26 piculs of pepper. The total investment in the voyage was $120,000.

When, after four months stay in Canton the vessel was ready to return to the United States it carried the following:

> 2460 piculs of black tea, 562 piculs of green tea, 24 piculs of nankeens, 962 piculs of chinaware, 490 pieces of silk, and 21 piculs of cassia.

And what do the ships carry today? In the May 2, 1931 issue of the *China Weekly Review*, are given lists of the cargoes of the various steamers entering and leaving Shanghai as recorded by the Chinese Maritime Customs. Raw cotton, asphalt, lubricating oils, machinery, aniline dyes, and silver bars make up the bulk of the cargo of the *President Van Buren* coming from America. Bound for America we find the *President Grant* carrying wood oil, lamb and rabbit skins, rush hats, and untanned weasel skins as the main items listed, while tea, silk piece goods and raw silk were among the less bulky portions of the cargo.

The supercargo of the *Empress of China* was Samuel Shaw who later became the first American Consul at Canton, a position which at that time was purely honorary for it carried with it no salary or other perquisites. The result of this first venture was not considered as being extraordinarily successful in a financial way, for the net profits were but little more than 25 percent on the capital invested, but what was far more important the voyage had opened up a new field of commerce for Americans and it had demonstrated that they need not fear the competition of the powerful East India Company.

It is interesting to note that the American trade with China gradually began to undermine the trade of the East India Company to such an extent that official notice was taken of it in London and it was even brought up for discussion in the House of Commons. Dulles has the following to say as to why the Americans were able to do this:

> The explanation seems largely to lie in the informality of their trade and the consequent slight overhead. The Company had its dignity and prestige to maintain; it had traditions which could not be broken. Its great ships were almost all over a thousand tons—and carried crews ranging from 107 to 133 men. They were the last word in safety, comfort and luxury, but had not been built for either speed or efficiency. They simply could not compete with the little American ships which could make two voyages to their one, were sailed by what appeared to the British to be skeleton crews, and carried on their business at Canton with an efficiency and despatch—sometimes remaining in port for little more than two weeks—which the servants of the Honorable Company could not hope to emulate.

This sounds a little familiar to one who has read the comments of the British merchants of today upon the state of the piece goods trade in China and why England seems to be losing out. Tradition, dignity, and custom still seem to play a large part in the business methods of the Englishman in the East and it may have something to do with his continually declining share of the profits.

After 1821, when the United States Treasury first published an annual report on the China trade, we begin to see the end of the romantic period in this trade and the beginning of the prosaic. While, as stated above, the book from this point on deals with more familiar things, it tells an interesting story. We see the changing character of the trade, the early relations between the foreigners and the Chinese, the struggle of the foreigners to be allowed to treat with Chinese officials on terms of equality, disputes due to Western and Eastern ideas of justice, and the beginning of the opium trade. Then comes the war and finally the Treaty of Whanghia which secured for the United States all the rights and privileges which Great Britain had won by the Treaty of Nanking and in addition established certain new principles for the governance of China's relations with the West.

Mr. Dulles closes the book when the Americans after 60 years of trade without government aid or protection of any real sort, now entered upon a period when they were to be protected by treaty. It was the beginning of a period of great possibilities but it was the end of old Canton and the end of the romance and color which had characterized this trade.

G. M. Allison.

Recent Pamphlets Received

Edward Bing-shuey Lee has compiled a brochure on "Dr. Sun Yat-sen's Life and Principles," which was printed by the *Leader* Press, Peiping. In it Mr. Lee makes clear such important points as what Dr. Sun went through before the Chinese Republic was established, what his views are on the People's Convention, what he says about Communism, and also what his views on foreign capital are.

The Navy League of the United States, with headquarters in Washington, has issued a brochure entitled "The British-French-Italian Naval Agreement and Capital Ships", in which it is mentioned that, at the Conference of 1932, the United States may be confronted by a concerted move by virtually all other powers looking to a reduction in the individual size of all future capital ships.

The April issue of the *Chinese Social and Political Science Review*, published at Peiping, contains an article on Industrialization in Labor in Hopei, by H. D. Fong; the Status of the Railway Settlement in South Manchuria, by Shuhu Hsu, and Chinese Studies in the United States by L. C. Goodrich. The *Review* is published quarterly. The managing editor is T. F. Tsiang.

Nicholas Murray Butler, director of the Division of Intercourse and Education of the Carnegie Endowment for National Peace, has issued his annual report for 1930. In it is recorded the fact that last year the Endowment invited Wu Kwan-tsung, of the staff of the Library of the University of Nanking, to spend the academic year 1930-31 studying at the school of Library Service of Columbia University, New York. The Endowment contributed $1,500 toward meeting the expenses of Mr. Wu's studies.

The "Green Year" Supplement, published by the Y.W.C.A. of China, in its current issue contains an article by Eleanor M. Hinder on "The New Legal Status of Chinese Women," in addition to much other interesting matter.

The speech of Kenji Kodama, president of the Yokohama Specie Bank, at the ordinary general meeting in Yokohama March 10, has been published in pamphlet form. Mr. Kodama followed his usual custom of reviewing the aspect of economic affairs at home and abroad.

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CUSTOMS NOTIFICATION
No. 1211.

THE Public is hereby notified that a general revision of the Provisional Rules appended to the Import Tariff has been made, amending §§ 1 and 2 of Rule II and incorporating the previous Rule IV with Rule III. The newly constituted Rule II and III are as follows:—

Rule II

The following shall not be liable to Import Duty:—

Barley, Buckwheat, Maize, Millet, Oats, Paddy, Rice, Rye, and Wheat;

Wheat Flour;

Gold and Silver Bullion and Coins;

Platinum, Unmanufactured, i.e., in Ingots, Bars, Sheets, or Plates, not lese than 1/8 inch thick and Waste or Scrap:

Books, Printed or Manuscript, Bound or Unbound (including Telegraphic Code Books, Picture Books and Copy Books for teaching Writing and Drawing, and Books for teaching Music to Children; but not including other Music Books, Ledgers, and other office, school, and private Stationery);

Charts and Maps (including outline Maps, Relief Maps, Clobes, and Models and Charts for Educational Purposes, such as the teaching of anatomy, etc.);

Current Newspapers and Periodicals;

Animal, Manure.

Vessels carrying Duty-free commodities, whether such commodities constitute the whole of the cargo on board or a part only, shall be equally liable to Tonnage Dues, unless that cargo be composed entirely of Gold or Silver Bullion or Foreign Coins, in which case no Tonnage Dues shall be collected.

Rule III.

The importation of Salt is prohibited.

Except at the requisition of the Government, or for sale to Chinese duly authorised to purchase them, the importation of Arms, Ammunition, and Munitions of War of any description is prohibited, and no Permit to land them shall be issued until the Customs is satisfied that the necessary authority has been given to the importer. Infraction of this rule renders the articles concerned liable to confiscation.

The importation of Opium and Poppy Seeds is prohibited.

The importation of the following articles is prohibited except under bond by qualified medical practitioner, druggists, and chemists: Morphia and Cocaine and Hypodermic Syringes; Anti-Opium Pills containing Morphia, Opium, or Cocaine; Stovaine, Heroin, Thebaine, Chanja, Hashish, Bhang, Cannabis Indica, Tincture of Opium, Laudanum, Codeine, Dionin, and all other derivatives of Opium and Cocaine which have narcotic properties.

W. R. MYERS,
Commissioner of Customs.

Custom House,
Shanghai, 11th May, 1931.

Who's Who in China

Bar Wen-chiun (Pa Wen-chiuu)
巴文峻字維崧

Bar Wen-chiun, government official; born in Suiyuan of Manchurian parentage; after completing his Chinese education in China, he went to France, where he was graduated from the Caen University; since his return to China, he has successively served as counsellor to the Garrison Commander of the Peiping-Tientsin Area, special Commissioner to Nepal, instructor of French in the Wen-Hua University at Peiping, sectional chief in the Mongolian and Thibetan Affairs Commssion and now councillor to the Commission; address: Mongolian and Thibetan Affairs Commission, Nanking.

Chi Chen-ju
齊真如字性一

Chi Chin-ju, government official; born at Sui-hsien, Honan, 1884; director of the Provincial Library, Honan; member of the Honan Provincial Government and concurrently acting Commissioner of Reconstruction; address: Honan Provincial Government, Kaifeng, Honan.

Are Russians Making Rubber from Oil

The *Shanghai Evening Post* of May 8 printed an editorial in a light vein pointing out the coincidence that after thirteen years of patient effort, a Russian chemist had succeeded in producing rubber from oil, the announcement to this effect reaching Shanghai on the invariably dull and depressing day which follows that on which the Champions are rum. The *Post* commented: "This is not the first time that the world has been told of a wonderful process for making synthetic rubber, but never before has such an announcement been made with real rubber quoted at threepence and less per pound."

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MEN AND EVENTS

(*Continued from page 397*)

Ralph Peters, Oriental partner in the firm of Haskins & Sells, certified public accountants, passed through Shanghai during the week on his way to Manila.

Col. Wang Ping-heng, associate director of the National Aeronautical Bureau, was due back from Hongkong during the week, accompanied by Mrs. Wang. Col. Wang has concluded a tour of the United States and Europe, where he studied aviation matters.

Mr. and Mrs. J. V. Crowe of the Ford Motor Car Company, Exports, Inc., were scheduled to sail for the United States on home leave on the *Chichibu Maru*, departing from Shanghai on Saturday, May 16. They will be accompanied on their trip by F. C. Riecks and M. L. Weismyer of the engineering and production departments of the Ford Company who have been in China for sometime.

Robert W. Bruere, well known American magazine writer on social-labor questions, is arriving in Shanghai on May 26 for a brief visit. He will be accompanied by Mrs. Bruere. For several months Mr. and Mrs. Bruere have been in Japan making an investigation of social-labor conditions on behalf of the so-called Fact Finding Commission sent to the Far East by American religious organizations.

The Ministry of the Interior has instructed the Provincial Department of Civil Affairs to suppress the traffic in soporific drugs. Many cases of suicide during recent years are attributed to the ease with which such drugs can be secured at pharmacies, particularly by young people.

P. T. Allen, Secretary for Chinese Affairs at Selangor, Federated Malay States, was given a farewell reception by the Chinese community on the occasion of his departure for Penang, where he has taken up the post of Resident Councillor. San Ah Wing, a prominent member of the Selangor Chinese community, spoke in terms of the warmest praise of Mr. Allen for his fairness during his service of more than five years in Kuala Lumpur.

Dr. H. Chatley, chairman of the Library Committee, at a recent meeting stated that the time was hardly ripe yet for the appointment of a Chinese librarian for the Shanghai Municipal Library. He pointed out that most of the subscribers were foreigners and one of the duties of the Librarian was to advise readers. When the number of Chinese readers increased considerably the question of appointing a Chinese librarian will be reconsidered, Dr. Chatley added.

General Chiang Tso-pin, Minister to Berlin, who recently returned to Nanking on home leave, called on President Chiang Kai-shek and Minister C. T. Wang May 6 and reported on the diplomatic relations between China and Germany. In an interview, he expressed warm admiration for the German people, whose speedy recovery from the World War was phenomenal. There are about 1,500 Chiness residing in Germany, one-third of whom are students and the rest merchants, according to Minister Chiang.

Upwards of 5,000 farmers and others living along the banks of the Yangtsze River opposite Chinkiang have been rendered homeless by the collapse of a part of the river embankment on May 4. The usual high tide at this time of the year, intensified by a fierce south-easterly wind, caused the caving in of the embankment. About two hundred acres of land were flooded. The Kiangsu Provincial Government has ordered relief measures to be devised for the refugees.

Arrangements are being rapidly completed for the China delegation to the 1931 World Y.M.C.A. Conference, to be held in Toronto, Canada, and Cleveland, Ohio, U. S. A. July 29-August 9, according to information emanating from the National Committee of Y. M. C. A's of China here. K. F. Chang, chairman of the National Committee, and Dr. David Z. T. Yui, general secretary, are expected to head the China group.

Two students of a Chinese municipal primary school at Yi Chang Li in the Model District of Hankow were killed, five are reported still to be missing and scores injured, following the sudden collapse on May 8 of the school building in which they were studying. The school building was in a dangerous condition, the Chinese papers state, having been formerly used as a billet for Government soldiers who used the walls as a target during rifle practice.

D. L. T.

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Serious Riots in Madrid Portend Counter-Revolution

Serious riots, which dispatches from Madrid describe as portending a counter-revolution, broke out in Madrid on the night of Sunday, May 10. Civil Guards opened fire on a crowd attempting to storm and set fire to the office of the Monarchist daily, *A.B.C.*, where a machinegun is reported to have been installed to repel possible invaders. Two Republicans and a Civil Guard were seriously injured in the melee. Subsequently the crowd conducted an angry demonstration before the Ministry of the Interior and the Minister himself addressed them. He said that the Marquis Luca Detena, proprietor of the *A.B.C.* had been arrested and that the offices of the newspaper had been sealed up. The crowd then proceeeded to the barracks of the Civil Guards and stoned the premises.

The following day the Government issued a declaration that anyone, whether Right or Left, attempting to promote trouble will be considered an enemy of the Republic.

The Atheneum Club passed a resolution demading the immediate disbandment of the civil guards and the resignation of the Minister of the Interior, Senor Maura, and the expulsion from Spain of all religious orders. A mob, the following day, set fire to the Jesuit headquarters and also a convent.

Later telegrams announced that ten convents and churches had been burned by mobs. The Catholic newspaper *El Debate* has been suspended. The Police are guarding religious establishments. President Zamora admitted that the Government had experienced a setback, but a repetition of Sunday's events, when two persons were killed, would not be permitted, he said.

Soviets Willing to Sell Chinese Eastern Railway

The *China Times*, Chinese daily newspaper in Shangai, in its issue of May 10 printed a long communication from its correspondent in Harbin reveiewing the Chinese Eastern Railway situation, particularly as regards the discussions in connection with its eventual purchase from the Soviets by China. Although the Soviet plenipotentiary delegate, Mr. Karakhan, has expressed his agreement with the Chinese proposal in principle, divergent views are held by both sides in regard to the assessment of the value of the railway properties. At the fourth session of the Conference held on April 21, Mr. Karakhan, submitted to the meeting the following points:—

1—What currency is to be used in the purchase of the Railway properties by the Chinese Government?

2—Will the Chinese Government arrange for a foreign loan in order to pay off the obligations involved in the redemption of the railway?

3—Are the payments of the obligations to be made by installment or in a lump sum?

4—In case of the payments being made by installments, what will be interim time between the two payments?

5—Prior to the clearing up of the total obligation how should the railway be managed? Whether or not the original Chinese and Russian staffs of the Railway should remain unchanged?

These momentous questions were put up to the Chinese delegates for immediate answer. They, being apparently unable to answer such questions, promised to forward the various points to the Central Government for instructions. The sixth formal session of the Conference will be held on May 16.

According to the opinions of the experts, the Chinese purchase of the Russian interests in the Railway should be the fundamental solution to the various complicated issues. The Soviet's insistence upon the assessment of the value of the railway properties prior to further parleys on the details of the purchase, evidently bespeaks its insincerity in accepting the Chinese proposal. Owing to the variety of difficulties involved, the task of the definite assessment of the value of the railway would certainly take more than a year, or even two or three years' time to complete. Nevertheless, the Chinese delegates have accepted the Soviet demand and will ask assistance from the various circles concerned to solve this knotty problem.

CONVENTION ADOPTS CONSTITUTION: PASSES MANY RESOLUTIONS DEALING WITH NATIONAL WELFARE

(Continued from page 380)

of by the National Government as provided by the present draft.

Another proposed revision was that the system of Provincial Governors (Sheng-Chang)-omitted in the revised draft—should be incorporated in the Provisional Constitution.

The meeting finally decided that the draft together with the various recommendations for revision be referred to the Provisional Constitution Investigation Committee for further investigation.

Industrial Reconstruction

A resolution for the adoption of the National Industrial Reconstruction Program recently approved at the Extraordinary Session of the C.E.C. was then introduced by President Chiang Kai-shek.

Pointing out that the plans embodied in the proposal constituted the minimum requirement to be attained within the period of six years, he said that the Chinese market was being flooded witn the surplus products of the various industrial countries and that unless we strove for our own self-preservation, we would soon find ourselves face to face with grave dangers.

In the industrial reconstruction program, the development of agriculture and means of communications was of particular importance. He called attention to the startling fact that though China prided herself on being an agricultural country, she had to import almost 140 million taels' worth of food-stuffs for foreign countries during the past year.

One of the main obstacles in the way of national unification, President Chiang contnued, was the lack of good means of communications in the country. He expressed the belief that the railway construction program as embodied in the proposal was capable of being carried out within the prescribed time-limit and was not meant to be merely high-sounding.

He said that conservancy of the various principal waterways in the country, particularly the Yellow River and the Huai River, was also imperatively necessary not only to facilitate transportation but also for the development of agriculture.

The territory of China being as extensive as it is, mere construction of roads and railways would not suffice to link up and shorten the distance between the various localities of the country. Before the end of the 24th year (1935), a fleet of one thousand aeroplanes at least must be in operation.

Turning to navigation, President Chiang said that within the next six years, at least 200,000 to 300,000 tons of shipping must be built. Efforts should also be made for the abolition of the inland water navigation privileges still being enjoyed by foreigners.

The National Government, said President Chiang, would also do everything in its power for the development of the various basic industries.

After President Chiang's speech was concluded amidst great applause, the meeting decided to refer the proposal to the Finance and Economic Committees for investigation. —Kuo Min.

Freedom of the Press

Nanking, May 9.—That the Government should remove all unnecessary restrictions against the freedom of the press and aid in their development, forms the subject of a proposal to be submitted to the National People's Convention by Mr. Chen Kai-shih, a Hunan delegate.

While the Central Government has restored all press facilities since national unification was effected and general order well maintained, the memorandum points out that cases concerning the muzzling of the press are frequently reported in the various provinces.

In order that the people may voice their opinions without undue restraint by the Authorities, Mr. Chen recommends the adoption of the following measures:

1. Freedom of speech and publication. Apart from submitting to the legal restrictions in the ordinary Criminal Code, the National Government should not enact other laws for further restraint. The recently promulgated Publication Law should be immediately annulled.

2. If a newspaper or its editor be accused of any violation, the newspaper should not be sealed or the editor imprisoned before a decision has been rendered by the Court.

3. Unless with the permission of the Central Party Headquarters, news censorship must not be instituted nor newspapers detained.

4. Press telegrams should be given precedence over all other telegraphic messages, and telegraphic press rates reduced.

5. News agencies engaged in international publicity should be subsidized and assisted by the Government in every way.

6. Press representatives in their search for news in all parts of the country should be given special press facilities by communication organs, entitling them to travel at half the ordinary rates on railways, steamers and airplanes.—Kuo Min.

President Chiang Reports on Achievements

Nanking, May 9.—The 2nd general session of the National People's Convention was held today under the chairmanship of General Chang Hsueh-liang and attended by 459 delegates and 61 observers.

After the Chairman had recited the Last Will of the late Party Leader (Dr. Sun), the entire body of delegates rose and observed a three-minutes silence in commemoration of the National Humiliation Day (Japan's ultimatum on the 21 Demands).

The resolution for the adoption of the National Education program was then introduced by President Chiang Kai-shek on behalf of the National Government. After lively discussion, the meeting decided to refer the proposal to the Proposals Investigation Committee for further examination.

After a recess of ten minutes, Chairman Chang Hsueh-liang announced a change in the agenda. An emergency resolution moved by delegate Hsiang Ting-yung relative to the abolition of unequal treaties was then introduced. Mr. Hsiang pointed out that the continued existence of the unequal treaties constituted the most serious obstacle to the unification of the country and the carrying out of national reconstruction. It was therefore incumbent upon the Convention—whose main mission was to consolidate national unity and plan for national reconstruction,—to declare, of its own accord, the abolition of all unequal treaties. He therefore proposed that (1) the National Government be called upon to effect the complete abolition of unequal treaties before a specified date, (2) that a manifesto be issued in the name of the Convention declaring all unequal treaties abolished and (3) that the entire nation should give full support to the Government by severing economic relations with all those Powers who should still cling to the unilateral privileges acquired under the various unequal treaties.

After considerable discussion, the following resolution was finally adopted:—

"That the National Convention declare, of its own accord, the abolition of all unequal treaties; and that Hsiang Ting-yung, Liu Lu-yin, Shao Li-tzu, Chen Pu-lai, Tai Ching-lien, Feng Tien-ju, Wang Tso-jan, Hsia Tso-min, Chen Cheng, Chuang Sung-fu and Lo-Shang-Chien-Tsan be appointed to form a special committee for the drafting of the Manifesto."

A voluminous report on the achievements of the National Government since its inauguration was then submitted by President Chiang Kai-shek on behalf of the National Government. After President Chiang had explained the contents of the report, it was decided to refer it to a special committee for examination.—Kuo Min.

Report on the National Government

Nanking, May 10.—A report in three volumes on the work achieved by the National Government since its inauguration four years age was submitted by President Chiang Kai-shek on behalf of the National Government at the 2nd regular session of the National People's Convention.

Explaining the contents of the report, President Chiang Kai-shek said that as the attention of the Government had been engrossed for the past few years with the suppression of revolts and reactionary movements, the first volume is devoted entirely to an account of the Government's Military achievements.

The second and third volumes deal with the Civil administration of the Government. Detailed accounts of the activities and work achieved by the various Departments of the Government, namely, the Executive Yuan, the Judicial Yuan, the Examination Yuan, the Legislative Yuan and the Control Yuan are included. The Chapter on the Executive Yuan is sub-divided into sections dealing with finance, internal affairs, foreign relations, education, communications, railways, industry, Mongolian and Tibetan Affairs, and Opium-suppression.

Regarding the future policy of the Government, President Chiang Kai-shek said that the Government would

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endeavor to carry out during the Tutelage Period all the policies set forth in the declaration of the first National Congress of the Party.

He said that the domestic policies of the Government would center around the enforcement of District Autonomy, all other projects and plans being subordinate to this paramount question.

As regards foreign policy, the Government would give its first attention to the abolition of unequal treaties.

In conclusion, President Chiang said that the Government would resolutely set itself to work for the realization of these programs so that the final goal of the National Government,—the inauguration of the era of Constitutionalism in which the people would be qualified to exercise their constitutional rights—might be completely attained.

Turning incidentally to the proposal for the abolition of unequal treaties, President Chiang said that the resolution just passed calling for the unilateral abolition of unequal treaties was undoubtedly an emphatic expression of the will and spirit of the nation. We should however exert ourselves in order that we might prove ourselves equal to the situation, he said. It would require, he pointed out, almost superhuman efforts to free ourselves completely from the bondage of the various unequal treaties. In order to attain our object, we must therefore first make our country powerful and independent. More shouting of cries of "Down with the unequal treaties" would prove of little avail.

Nanking, May 11.—What is regarded virtually as a panacea for the evils of civil war and which will ensure the maintenance of national peace and unification in the country is proposed b-- 54 delegates to the National People's Convention headed by Mr. Liu Tso-chou, a Kiangsi delegate.

The proposal declares that as the greatest obstacle to national unification is the interference of the military in political affairs, the military and civil administrations should be definitely separated and the large number of troops reduced.

In the United States Court for China

MARGARET VIOLET KILLA, Plaintiff.

vs.

CLARENCE ANTHONY KILLA, Defendant.

Cause No. 3357
Civil No. 1490

ORDER

Filed at Shanghai, China, May 11, 1931.

JAMES M. BOWES
Clerk.

ORDER.

The object of this suit is an action for divorce:

WHEREAS plaintiff herein, by her attorneys, has this 8th day of May 1931, made application for the substitution of publication, for personal service upon the Defendant herein; and

WHEREAS it appears from the files of this case that on the 8th day of May 1931, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files in this case that on the 8th day of May 1931, MARGARET VIOLET KILLA, the plaintiff herein, filed an affidavit to the effect that the defendant does not now reside in China nor has he resided therein since 1930 and that his last known address to her was, 395 Cambridge Avenue, Milwaukee, Wis,, U.S.A.

NOW THEREFORE, it is this 11th day of May 1931, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "China Weekly Review" a paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause his appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holiday, occuring after the 30th day of May, 1931, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

Dated at Shanghai, China,
May 11th, 1931.

BY THE COURT

MILTON D. PURDY
Judge.

Latest New York Stock Exchange Quotations

Market: Weak **Business Done 2,000,000 Shares May 13**

1930-1931 High	Low	Div.$ per Sh.	STOCKS	Mon. May 4	Tues. May 5
23½	15	1.60	Adams Express	15¼	15½
42¾	20⅝	3.00	Allis Chalmers	26¾	26¼
129⅜	106⅜	4.00	American Can	107	106⅛
51¾	26¾	—	American & Foreign Power	34⅛	33¼
31⅝	14¼	—	American & For. Power W.	20	19⅛
58½	35⅜	4.00	American Smelting	36¼	35⅜
201¾	170⅝	9.00	American Tel. & Tel. ..	182⅜	182¼
130⅜	104¾	5.00	American Tobacco "B" ..	124¾	123¾
80¾	53¾	*3.00	American Waterworks ..	58¾	57⅜
43¼	26⅝	1.50	Anaconda Copper	27⅝	27½
23⅝	14⅞	*1.00	Atlantic Refining	15	15
87⅞	60⅛	5.00	Baltimore & Ohio	64	64
70⅜	41½	6.00	Bethlehem Steel	45⅞	45⅜
30¾	20	1.00	Borg Warner	Unq.	21⅜
11⅜	7¼	—	Calumet & Hecla	7¼	7¼
45⅜	28½	2.50	Canadian Pacific Railway	29½	29½
131½	69⅞	6.00	Case J. I.	70⅜	73⅛
54⅛	32½	3.00	Chesapeake Corp	41½	41¾
25⅜	15⅞	1.00	Chrysler	21	20⅛
20¾	14⅞	.30	Cities Service, Com.	14¾	14¾
45⅝	29¾	2.00	Columbia Gas & Electric..	30	30⅛
16⅝	7¾	.75	Columbia Graphaphone ..	9⅛	9⅛
12	8	.60	Commonwealth & Southern	8¾	8¾
2¾	1⅝	—	„ „ „ war.	1¾	1¾
109⅝	82⅛	4.00	Consolidated Gas. of N. Y.	97½	96
12	6⅝	—	Continental Oil	7¼	7⅛
5⅞	2⅝	—	Curtiss Wright Co.	3⅝	3½
107	81	4.00	Du Pont de Nemours.. ..	87	85¼
185¾	143⅜	5.00	Eastman Kodak	158	155¼
61	40	6% S	Electric Bond & Share ..	43⅝	42⅜
38⅜	18	4.00	Fox Film "A"	16¼	15⅝
12	4⅜	—	General Aviation	7	6⅝
54¾	41⅛	1.60	General Electric..	43¼	43¼
56	43⅞	3.00	General Foods	52	51⅞
48	31⅛	3.00	General Motors	44⅜	43½
84⅛	51	5.00	General Railway Signal ..	57	Unq.
42⅛	31¼	2.50	Gold Dust	31⅝	32¼
20⅞	9⅝	—	Goodrich Rubber..	11¼	11½
52¾	32⅛	3.00	Goodyear Tire & Rubber ..	40	39⅞
22⅝	13⅞	2.00	Granby	14½	Unq.
26	15¾	1.00	Hudson Motors,..	17⅝	17¼
62½	35	4.00	International Cement ..	35½	Unq.
4	1¾	—	International Combu. Eng.	2⅛	Unq.
60½	43¾	2.50	International Harvester ..	48⅞	47⅞
20⅛	13⅞	.60	International Nickel.. ..	14⅝	14⅜
38¾	18¾	2.00	International Tel. & Tel. ..	28¾	28
80¾	46⅛	3.00	Johns Manville	44⅝	45¼
15½	7⅜	—	Kelvinator	11⅝	11⅝
31½	20⅛	2.00	Kennecott	21¾	21⅛
27¾	20⅞	1.60	Kreuger & Toll	25⅛	23
34⅞	17⅛	1.00	Kroger Grocery..	34⅞	34½
91	76¼	4.00	Liggett & Myers, "B" ..	81½	80¾
63½	41⅜	3.00	Loew's: Inc	43¼	43⅛
20⅛	11⅜	—	Lorillard P Co. (com-) ..	19¼	18¾
18½	11	—	Ludlum Steel	11⅞	11¼
29¼	15¾	—	Montgomery Ward	20	20
40⅞	21⅛	4.00	Nash Motors	32	31½
14⅜	9	1.00	Nevada Consolidated Co.	9½	9
132¼	95⅜	6.00	New York Central	97¼	93
69½	45	3.00	Pacific Lighting	56½	55¾
11⅞	7¾	.60	Packard Motor	7⅞	7⅞
50¼	27¼	4.00	Paramount—Publix Corp	29	29¾
64	61¼	4.00	Pennsylvania Railroad .	51½	50¼
8½	5⅛	.20	Pennroad Corporation ..	5⅞	6⅝
16⅝	7	—	Phillips Petroleum	7⅝	7½
96½	82	3.40	Public Service of N. Jersey	84¼	83⅞
27½	12	—	Radio Corporation	20¾	19⅝
24½	15¾	—	Radio-Keith Orpheum ..	18	17⅝
53	40⅜	3.00	Reynolds Tobacco "B" ..	51⅜	51
63¼	44⅞	2.50	Sears Roebuck	54⅞	54⅞
1¼	5	—	Shell Union	4⅞	4¾
23¾	12⅛	—	Simmons Company	14½	14⅛
54½	44	2.00	Southern California Edison	45	44⅞
20½	16¼	1.20	Standard Brands	18⅞	18⅞
88⅝	58	3.50	Standard Gas & Electric..	71¾	71
52½	36¾	*1.00	Standard Oil of N. Jersey	37	37
26	18	1.60	Standard Oil of New York	18⅞	19
36¼	19	3.00	Texas Corporation	18⅞	20
55¾	38½	4.00	Texas Gulf Sulphur	42	41½
59	43	3.00	Timken Roller Bearing ..	45¾	Unq.
18	8¼	1.00	Trans America	8½	8⅜
72	48	2.60	Union Carbide & Carbon	49¾	49⅞
205⅛	161	10.00	Union Pacific Railway ..	173	168
38⅞	22½	—	United Aircraft & Transp't	31⅞	31½
31¼	16½	.75	United Corporation	23⅞	23½
20⅜	11¾	—	U.S. Rubber..	15	15
152⅜	111	7.00	U.S. Steel	112⅜	111
76¾	39	3.00	Vanadium	44⅞	41⅝
20⅜	7⅛	—	Warner Bros. Pictures ..	7⅞	8
107¾	57⅞	4.00	Westinghouse E. & M. ..	61¾	62⅜
65¾	51⅜	2.40	Woolworth	71⅜	69¾
			Call Money	1½%	1½%

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American Expert to Investigate Shanghai Waterworks

Nicholas S. Hill, an American waterworks engineer, with head offices in New York, has been engaged by the Shanghai Municipal Council to come here and make an investigation of the books of the Shanghai Waterworks Co. with a view to determining whether or not the business of the concern is being conducted as economically as is possible.

Mr. Hill is a member of the American Institute of Consulting Engineers, American Society of Civil Engineers, American Society of Mechanical Engineers, American Institute of Electrical Engineers, American Society for Public Improvements and the National Conference on City Planning. He has held office as President of the American Waterworks Association and posts in other similar professional organizations.

The decision to employ Mr. Hill followed agitation conducted by the Chinese Ratepayers Association several months ago against a 25 per cent increase in the rates enforced by the Waterworks Co. When Mr. Hill was approached he replied that his fee would be Gold $12,000 in addition to expenses. The Council has accepted these terms on the understanding that Mr. Hill will come to Shanghai personally to make the investigation.

The decision to secure the services of an American expert to make this investigation foreshadows the probability that this British utility in Shanghai will go the same road as occurred with the Electricity Department and the Shanghai Mutual Telephone Company, namely that it will be sold to an American Company. The Shanghai Waterworks Co., by its antiquated methods of doing business, has got itself into a position where it cannot maintain an efficient service without charging exorbitant rates.

W. C. T. U. Convention Meets in Shanghai

The National Convention of the Women's Christian Temperance Union is being held in Shanghai from May 14 to 17. Delegates from all parts of China are in attendance. Miss Chen Yu-mei and Mrs. Chen Wei-pin represent Nanking; Misses G. Y. Wang, S. Y. Zee and G. Y. Wu, Soochow; Madam Chao, Huchow; Miss Y. T. Liu, Shantung Christian College; Miss Z. F. Zu, Hangchow. Shanghai's delegation includes Mrs. T. T. Sun, Mrs. Chow, Mrs. P. G. Tsai and Miss T. T. Tsin.

May 14 and 15 are being devoted to reports, lectures, and discussions. "The need of reforming the Chinese home life," "Woman and Vacation", "Woman's right in the Government," and "The Mission of the W. C. T. U. in the next ten years," are among the topics being discussed.

The Mayor's wife, Madam Chang Chun, and Mrs. Ford, chairman of the joint committee of Shanghai Woman's Organization and Dr. Wu Yee-fong, president of Ginling College, are taking a prominant part in the convention.

An entertainment with music and folk dances and a play "Pear Dream," written by Mrs. Herman C. E. Liu, general secretary of the Union, and participated by students of the University of Shanghai (formerly Shanghai College), is being given in the Central Theatre, North Szechuen Road.

A farewell party will be given by Mrs. Herman C. E. Liu in her residence at the College May 16 at 4 p.m.

Exchange Circular for the week ending Wednesday, 6th April, 1931.

A very quiet week has passed for business amongst merchants, and Monday and Tuesday afternoons the Banks have been closed for the Spring Races.

Chinese speculators became busy in the early part of the week covering their oversold position, which is now estimated to be liquidated, or of very small proportions. Rumours of political troubles in the South reacting on Government plans for the Peoples convention now taking place may have been the cause for their change of position. All markets are practically idle, and general conditions everywhere show little sign of improvement.

Silver: opened on the 30th ult. at 13 3/4d. for spot and forward, and G. $.28 1/2, closing to-day at 13 5/8d. and G. $.28 1/4.

India and China have both bought and sold. America has sold but generally inactive.

Exchange:—The T/T official rate on London on the 30th ult. was 1/3 1/4d. subsequently lowered to 1/3 1/8d., on the 1st inst. became 1/3d., yesterday was raised to 1/3 1/8d.

The market opened on the 30th ult. with sellers of T/T on London and New York at 1/3 7/8d. and G. $.31 1/4: 4 m/s Cr. 1/3 1/8d. and G. $ 32. Yen Cross rate 49 3/4: Yen 158. Gold Bars 738.30. Weakness set in early with persistent speculative buying referred to above, and rates fell away to 1/3 1/4d. and G. $.30 1/4. At this point there was resistance, and closing prices becme 1/3 3/8d. and G. $.31. Gold Bars rose to 747.20.

On the 1st May opening 1/3 3/8d. and G. $.30 3/4 prices advanced and actually 1/3 5/8d. and G. $.31 was offered and done, but the market then became weak, and fell away to close at 1/3 1/4d. and G. $.30 1/8 other rates in proportion: Gold Bars commenced at 749.50 and finished at 752.30.

The 2nd inst. saw a very inactive morning with business for T/T at 1/3 3/8d. and G. $.30 3/4 closing at 1/3 1/4d. and G. $.30 7/8. 4 m/s Cr. 1/3 5/8d. and G.$.31 1/8. Gold Bars varied between 748 and 744.

Our stocks of silver are reported as follows:—

Sycee and Bar Silver ... ... Tls. 89,479,000 a increase or Tls. 797,000
Chinese and Mexican Dollars $ 158,000,000 an increase of $ 1,290,000
Estimated value Tls. 203,219,000 as against Tls. 227,786,000 held at this time last year

†	Average rates for April	Thursday April 30	Friday May 1	Saturday May 2	Monday May 4	Tuesday May 5	Wed. May 6
Bank's selling rates		*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*	*opening closing*
T/T on London	1/3.136	1/3 1/4 1/3 1/8	1/3	1/3	1/3	1/3 1/8	1/3 1/8
D/Dfts ,,	—	1/3 1/4 1/3 1/8	1/3	1/3	1/3	1/3 1/8	1/3 1/8
4 m/s ,,	—	1/3 3/16 1/3 5/16	1/3 3/16	1/3 3/16	1/3 3/16	1/3 3/16	1/3 3/16
T/T on India	84,717	85 1/2 84 1/4	84	83 1/4	83 1/4	84 1/2	84 1/2
T/T on France	783,609	790 784	777	777	777	784	784
T/T on N.Y.	30,647	30 7/8 30 5/8	30 3/8	30 3/8	30 3/8	30 3/8	30 3/8
T/T on Demand		30 3/8 30 5/8	30 3/8	30 3/8	30 3/8	30 3/8	30 3/8
T/T on Hamburg R. M.		129 1/4 128 3/4	127 1/2	127 1/2	127 1/2	128 1/4	128 1/4
T/T on H'kong	78 641	78 1/2 nom	78 3/4 nom.	78 3/4 nom.	78 3/4 nom.	78 3/4 nom.	78 3/4 nom.
T/T on Japan	161 196	78 1/2	162 1/2	162 1/2	162 1/2	161 1/4	161 1/2
T/T on Batavia	76.343	159 1/2 161 1/2	76 3/4	75 3/4	75 3/4	76 3/4	76 1/4
T/T on Straits	183.402	77 76 1/4	185	185	185	183 1/2	182 1/2
Bk's buying rates 4 m/s B/L.		182 193 1/2 1/5 3/8					
Cred. & D/A	1/4 011	1/4	1/3 7/8	1/3 7/8	1/ 7/8	1/4	1/4
4m/s B/L D/P	—	1/4 1/4	1/4	1/4	1/4	1/4 1/8	1/4 1/8
6m/s ,, B/L		1/4 1/8					
Cred & D/A	1/4 261	1/4 3/8	1/4 1/8	1/4 1/8	1/4 1/8	1/4 1/4	1/4 1/4
4m/s B/P		1/4 1/4					
Cred D/A or D/P	833.217	845 839	825	825	825	832	832
4m/s N Y.Lc.	32.527	32 3/4 32 1/2	32 1/4	32 1/4	32 1/4	32 1/2	32 1/2
4m/s ,, Docs.	—	33 32 3/4	32 1/2	32 1/2	32 1/2	32 3/4	32 3/4

†Based on Daily Official quotation, higher rate taken on rising Market, lower when falling.	Apr. 30	May 1	May 2	May 4	May 5	May 6
Bullion.						
*London Price of Bar Silver per oz. (English Standard 925 touch) Pence						
**New York Price of Bar Silver per oz. (Pure)	13 1/4	13 5/16	13	13 5/16	13 1/8	13 1/16
Shanghai Price of Gold Bars (weight Tls. 10 (Chauping) 978 touch)	G.$.28 1/2	G.$.28	G.$.28 1/4	G.$.28 1/4	G.$.28 3/8	G.$.28 1/4
Shanghai Silver Bars (weight Tls. 100 (Canton) 999 touch)	Tls. 747.50	Tls. 752.50	Tls. 744.70	Tls. 737.7	Tls. 746.0	Tls. 741.60
Shanghai Mexican Dollars per $100	Tls. 112.50	Tls. 112.50	Tls. 112.50	Tls. 112.50	Tls. 112.50	Tls. 112.50
Native Bank Rate of Interest (Call money)	73 0	73.0625	73.075	73.05	73.275	73.225
*Closing Price in London for Previous day		1%	1%	1%	1%	1%
**Closing Price in New York for Previous day ...						

Bank of England rate of discount	3 %	Loncon on Paris	T/T 124 18
Bank of France rate of discount	2	New York on London	T/T 4.86 11/32
London open Market of Dis. 3 m/s	2 5/8 %	Bombay on London	T/T 1/5 3/16
,, ,, 4 ,,	2 5/8 %	Hongkong on London	T/T 1/0 25/32
,, ,, 6 ,,	2 11/16 %	Kobe on London	T/T 2/0 3/8

FEARON, MAITLAND and SHAW

The National City Co. Gold Band Quotations Received From Head Office

May 7, 1931.

SECURITY	RATE & DATE DUE	Price	Approx Yield%
The National City Bank of New York	Stock	85	—
City of Antwerp	5 % Dec. 1, 1958	100 5/8	4.96
Argentine Government	6 % May 1, 1960	90	6.79
Canadian National Railway Co.	5 % Oct. 1, 1969	106 3/4	4.62
Chile Government ..	6 % Jan. 1, 1961	78 3/8	8.40
City of Vienna	6 % Nov. 1, 1952	88	7.10
City of Yokohama ..	6 % Dec. 1, 1961	99 1/2	6.04
German General Electric (A. E. G.)	6 % May 1, 1948	89	7.13
German Central Bank for Agriculture.. ..	6 % Apr. 15, 1938	86	8.71
Greek Government ..	6 % Feb. 1, 1968	87	6.99
Japanese Government	6 1/2 % Feb. 1, 1954	105 1/4	6 03
Kingdom of Italy.. ..	7 % Dec. 1, 1951	100 1/4	6.98
Lautaro Nitrate Co., Ltd.	6 % July 1, 1954	55 bid	11.67
Nord Railway Co. ..	6 1/2 % Oct. 1, 1950	107 3/4	5.96
Norwegian Hydro-Elec Nitrogen Corp.. ..	5 1/2 % Nov. 1, 1957	99 3/4	5.53
Oriental Development Co.	5 1/2 % Nov. 1, 1958	96 1/4	5.78
Paris - Lyons - Med. Railroad Co.	7 % Sept. 15, 1958	107 1/4	6.43
Republic of Costa Rica (Pacific Rwy.)	7 1/2 % Sept. 1, 1949	75	10.61
Republic of Finland ..	5 1/2 % Feb. 1, 1958	82	5.99
Republic of Peru ..	6 % Dec. 1, 1960	19 1/2	—
Rhine Westphalia Electric Power Corp. w.w.	6 % Aug. 1, 1953	84 3/8	7.43
Saxon Public Works ..	6 1/2 % May 1, 1951	82	8.37
Saxon State Mortgage Institution	6 1/2 % Dec. 1, 1946	85 3/8	8.15
Toho Electric Power Co. Notes (Japan)	6 % July 1, 1932	100	6.00
Tokyo Electric Light Co. (Japan)..	6 % June 15, 1953	86 3/8	7.22
Ujigawa Electric Power Co. (Japan)	7 % Mar. 15, 1945	101	6.89
U. S. of Brazil	6 1/2 % Oct. 1, 1957	49 1/2	—
Anaconda Copper Mining Co.	Common Stock	27 1/8	—
Baltimore & Ohio Railroad Co.	Common Stock	63	—
Belgian National Rway. Pcptg. Pfd. Stock ..	6 % (American Sh.)	79 1/8	—
Pennsylvania Railroad Co.	Common Stock	52 1/4	—
Standard Oil Co. of New York	Common Stock	19 1/2	—
United Aircraft & Transport Corp. ..	Common Stock	28 1/2	—
Vacuum Oil Co.	Common Stock	35 1/2	—
Chicago Rapid Transit Co.	6 1/2 % July 1, 1944	75	9.97
Cuban Dominican Sugar Corp.	7 1/2 % Nov. 1, 1944	10	—
Pennsylvania - Dixie Cement Corp. ..	7 % Cum. Pfd. Stock	18 1/2	—
State of Minas Geraes Series "A"	6 1/2 % Sept. 1, 1959	44	—

QUOTATIONS RECEIVED FROM LONDON OFFICE

Republic of China Gold Loan	5 % 1925	74 1/2	—
Chinese Govt. Re-org. (£) Loan Stamped ..	5 % 1913/60	67	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 % 1913/60	65	—
Chinese Govt. (Crisp Loan)	5 % 1912	44	—
Shanghai Nanking Railway	5 % 1904/08	44 1/8	—
Shanghai Hangchow Ningpo Railway ..	5 % 1908/38	80 1/2	—
Hukuang Railway ..	5 % 1911/1951	25 1/2	—
Tientsin Pukow Railway	5 % 1908/09	25	—

NOTE: The above quotations are received by cable and whilst believed to be correct, are not guaranteed.

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GOLDEN PEAK, March 4.

(Agents: States S. S. Co.)

From U. S. of America.

Iron and Steel, Ungalvanized:		
Wire, Old	*Pls.*	390
Paints, Unclassed	,,	17
Gasolene, in Case	*Galls.*	85,000
,, ,, bulk	,,	100,972
Oil, Lubricating, Mineral	,,	55,232
,, Unclassed	,,	5,000
Paints:		
Enamels	,,	216
Varnishes	,,	109
Paints, Unclassed	,,	508

PRESIDENT LINCOLN, March 5.

(Agents: Robert Dollar Co.)

To U. S. of America.

Silk, Raw, Steam Filature:		
White, Shanghai	*Bls.* 355 *Pls.*	346.31
Silk, Raw, Filature:		
Wild, Dairen	,, 70 ,,	72.07
,, Piece Goods	,,	3.68
Tea, Green, Gunpowder, Ningpo	,,	29
Hair, Horse	,,	47
Skins, Rabbit, Untanned	*Pcs.*	2,500
,, Rabbit, ,,	,,	100,000
,, Raccon, ,,	,,	600
,, Dog, Tanned	,,	10,683

TOKAI MARU, March 5.

(Agents: Osaka Shosen Kaisha.)

To U. S. of America.

Silk, Raw, Steam Filature:		
White, S'hai	*Bls.* 80 *Pls.*	79.50
Yellow, Chungking, etc.	,, 45 ,,	44.82
Tea, Scented, Shanghai	,,	6
Antimony Regulus	,,	1,260
Bristles	,,	20
Egg Albumen, Dried	,,	81
Chinaware, Fine	,,	24
Feathers, Duck	,,	23
Oil, Wood	,,	5,392
Skins, Goat, Untanned	,,	1,157
,, Lamb ,,	*Pcs.*	10,000
,, Weasel, with Tails, Untanned	,,	6,500

NORDANGER, March 5.

(Agents: Socony.)

From U. S. of America.

Gasolene, in bulk	*Galls*	1,419,997
Oil, Lubricating, Mineral	,,	342,778

VICTORIA CITY, March 6.

(Agents: States S. S. Co.)

From U. S. of America.

Cotton, Raw:		
American	*Bls.* 3,040 *Pls.*	10,784
Carbon Black	,,	647

FERNWOOD, March 6.

(Agents: O. Thoresen & Co.)

From U. S. of America.

Cotton, Raw	*Bls.* 2,458 *Pls.*	8,830
Carbon Black	,,	281
Oil, Lubricating, Mineral	*Galls.*	2,561

PRESIDENT MADISON, March 6.

(Agents: Robert Dollar Co.)

From U. S. of America.

Motor-cars	*Pcs.*	17
Cotton, Raw	*Bls.* 1,600 *Pls.*	5,723
Iron and Steel, Galvanized:		
Sheets, Corrugated	,,	810
Awabi	,,	11
Ink, Priting	,,	21
Leather, Cow, Patent	,,	10
Newspapers, Old	,,	840
Oranges, Fresh	,,	14
Pitch	,,	465
Soda, Silicate of	,,	301
Shrimps Dried	,,	51
Sugar, Cube	,,	10

LAGANBANK, March 6.

(Agents: Lacey & Cannan, Ltd.)

To U. S. of America.

Oil, Wood	*Pls.*	13,447

PRESIDENT MADISON, March 6.

(Agents: Robert Dollar Co.)

From U. S. of America.

Motor-cars	*Pcs.*	11
Awabi, Canned	*Pls.*	113

CHICHIBU MARU, March 7.

(Agents: Nippon Yusen Kaisha.)

To U. S. of America.

Silk, Raw, Steam Filature:		
White, Shanghai	*Bls* 25 *Pls.*	24.20
Wild, Dairen, etc.	*Bls.* 250 ,,	260.34
Silk Piece Goods	,,	1.97
,, Clothing, Embroidered	,,	4.50
Tea, Black, other kinds, Kiukiang	,,	152
Tea, Green, Gunpowder, Ningpo	,,	31
Chinawere, Fine	,,	13
Egg Albumen, Dried	,,	156
Antimony Regulus	,,	840
Bristles, Assorted	,,	100
Cotton Fly	,,	193
Feathers, Duck	,,	95
,, Goose	,,	138
Intestines, Pig, Salted	,,	8
Nutgalls	,,	220
Oil, Tea	,,	299
,, Wood	,,	2,255
Rhubarb	,,	50
Seed, Sesamum	,,	5,614
Skins, Goat, Untanned	,,	3,072
Hats, Rush	*Pcs.*	60,000

FORRESBANK, March 9.

(Agents: Lacey & Cannan, Ltd.)

From U. S. of America.

Cotton, Raw:		
American	*Bls.* 5,212 *Pls.*	18,514
Carbon Black		284

TACOMA, March 10.

(Agents: States S. S. Co.)

To U. S. of America.

Nutgalls	*Pls.*	501

TAMAHO MARU, March 10.

(Agents: Rioka Soko Kabushiki Kaisha.)

From U. S. of America.

Cotton, Raw	*Bls.* 3,817 *Pls.*	13,461
Resin	,,	2,250

IOWA, March 10.

(Agents: States S.S. Co.)

From U. S. of America

Timber, Softwood:		
Ordinary, Sawn	*Sup. ft.*	1,290,517
Merchantable	,,	144,215

HOKUROKU MARU, March 11.

(Agents: Osaka Shosen Kaisha.)

From U. S. of America

Cotton, Raw	*Bls.* 175 *Pls.*	634
Tobacco, Leaf	,,	9,859
Wax, Paraffin	,,	505
Typewriters	*Pcs.*	50
Dyes, Aniline	*Pkg* 1,279 *G. Units*	14,833

ELG, March 11.

Agents: Rioka Soko Kabushiki Kaisha.

From U. S. of America.

Iron and Steel, Ungalvanized:		
Bars	*Pls.*	528
Tinned Plates, Plain	,,	645
,, ,, Scraps	,,	799
Iron and Steel, Galvanized:		
Wire Shorts	,,	1,846
Paper, Boxboard	,,	3,025
Sugar of Milk	,,	202
Asphalt	*Pls.*	8,400
Grease, Lubricating, Mineral	,,	73
Gum Resin	,,	736
Tobacco, Leaf	,,	11,975
,, Scraps	,,	2,108
Wax, Paraffin	,,	244
Oil, Lubricating, Mineral	*Galls.*	24,327

DEFIANCE, March 14.

(Agents: Lloyd Everett, Incorporated.)

From U. S. of America

Motor-cars	*Pcs.*	1
Margarines, Sewing	,,	22
Cotton Raw	*Bls.* 43 *Pls.*	147
Cement, Asphaltic		22
Grease, Lubricating, Mineral	,,	603
Sulphur Black	,,	1,441
Tobacco, Leaf	,,	5,517
Oil, Lubricating, Mineral	*Galls.*	27,541
,, Transformer	,,	2,990
,, Technical, White.	,,	5,300
Turpentine, Mineral	,,	417
Dyes, Aniline	*Pkg* 255 *G. Units*	13,308
Machinery, & Parts of	,,	1,558

SILVERPALM, March 14.

Agents: Glen Line Eastern Agencies, Ltd.

From U. S. of America.

Cotton, Raw	*Bls* 2,652 *Pls.*	5,954
Ironze and Steel, Galvanized:		
Sheets, Plain	,,	341
Aluminium-foil	,,	4
Aluminium-Sheets	,,	165
Tobacco, Leaf	*Pls.*	3,759
Wax, Paraffin	,,	504
Turpentine, Vegetable	*Galls.*	650

WALES MARU, March 16.

(Agents: Showa Shipping Co.)

From U. S. of America.

Borax, Refined	*Pls.*	992
Newspapersr, Old	,,	420
Soda, Caustic	,,	1,676
Tobacco, Leaf	,,	2,757
Wheat	,,	86,388

PRESIDENT GARFIELD, Mar. 16.

(Agents: Robert Dollar Co.)

From U. S. of America.

Cotton Duck, White	*Yds.*	752
,, Velvests, Dyed	,,	138
,, Voile, Printed	,,	3,184
Rubber Tires:		
For Motor Cars & Trucks	*Pcs.*	155
Cotton, Raw	*Bls.* 200 *Pls.*	726
,, Thread, Embroidery, in Skeins	,,	26
Iron and Steel, Ungalvanized:		
Bolts and Nuts	,,	13
Wire	,,	75
Iron and Steel, Ungalvanized:		
Pipe Fittings	,,	28
Rope	,,	201
Zinc Plates	,,	39
Ammonia, Anhydrous	,,	15
Pineapples	,,	58
Ink, Printing	,,	74
Indigo Paste, Artificial:		
20 per cent. strength	,,	1,029
50 ,, ,,	,,	75
Indigo Grains, Artificial:		
60 per cent. strength	*Pls.*	37
Leather, Cow, Patent	,,	3
Newspapers, Old	,,	735
Oranges, Fresh	,,	142
Paper, Common Printing	,,	926
Shrimps, Dried	,,	496
Sugar, Refined	,,	18
Sugar of Milk	,,	84
Cigars	*Mille*	18
Dyes, Aniline	*Pkg* 1016 *G. Units.*	64,083
Automobiles, Parts of	,,	7,565
Machinery, & Parts of	,,	19,998

DIANA DOLLAR, March 17.

(Agents: Robert Dollar Co.)

From U. S. of America.

Flour, Wheat	*Pls.*	2,378
Leather, Sole	,,	21
Timber:		
Laths	*Pcs.*	2,370
Softwood:		
Rough Hews	*Sup ft.*	31,660
Ordinary, Sawn	,,	2,183,829
Merchantable	,,	476,702

TAKETOYO MARU, March 17.

(Agents: Nippon Yusen Kaisha.)

To U. S. of America.

Silk, Pongees, Honan	*Pls.*	9,26
Tea, Green:		
Hyson, Kiukiang	,,	100
,, Hangchow	,,	169
Young Hyson, Kiukiang	,,	146
,, ,, Hangchow	,,	405
,, ,, Wenchow	,,	23
Gunpowders Ningpo	,,	14
Egg Yolk, Dried	,,	368
Feathers, Duck	,,	112
Hid, Wood	,,	330
Oil, Wood	,,	359
Rhubard	,,	76
Skins, Goat, Untanned	,,	2,966
Eggs, Fresh	*Pcs.*	4,400

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